

42nd ANNUAL REPORT

2017-2018



STAR DELTA TRANSFORMERS LTD.

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STAR DELTA TRANSFORMERS LIMITED

CIN : L31102MP1977PLC001393

Email ID : star.delta@rediffmail.com, Website : www.stardeltatransformers.com

Phone : 0755-2586680, 4261003

BOARD OF DIRECTORS	:	Mr. Kishore Gupta (Chairman & Managing Director) DIN : 00014205
	:	Mr. Rakesh Gupta (Executive Director & CFO) DIN : 00014139
	:	Mr. Laxmendra Maheshwari (Independent Director) DIN : 00278005
	:	Mr. Shashendra Lahri (Independent Director) DIN : 02704101
	:	Mrs. Chhavi Kharb (Women Cum Independent Director) DIN : 01791358
REGISTERED OFFICE	:	STAR DELTA TRANSFORMERS LTD., 92-A, Industrial Area, Govindpura, Bhopal-462 023
WORKS	:	92-A, Industrial Area, Govindpura, Bhopal - 462 023
AUDITORS	:	M/s. S.L. Khabya & Co., Chartered Accountants, Bhopal.
BANKERS	:	HDFC
REGISTRAR & TRANSFER AGENTS	:	Link Intime India Pvt. Ltd. C 101, 247 Park LBS Marg, Vikhroli west Mumbai 400083
COMPANY SECRETARY	:	Ms. Ankita Upadhyay
SECRETARIAL AUDITORS	:	M/s ASA & Associates, Practicing Company Secretaries, Bhopal
COST AUDITOR	:	M/s Sanjay Kasliwal Cost Accountants, Bhopal

STAR DELTA TRANSFORMERS LIMITED

REGD. OFFICE : 92-A, INDUSTRIAL AREA, GOVINDPURA, BHOPAL

CIN : L31102MP1977PLC001393

Email ID : star.delta@rediffmail.com, Website : www.stardeltatransformers.com

NOTICE

Dear Members,

Notice is hereby given that the Forty Second Annual General Meeting of the Members of the Star Delta Transformers Limited will be held on Friday, 28th day of September, 2018 at 11.30 A.M., at the Registered office of the Company at 92 A, Industrial Area, Govindpura, Bhopal M.P. 462023 to transact the following business.

AS ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements and the Reports of the Board of Directors and Auditor's thereon;

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.

2. Appointment of Director in place of Director who retires by Rotation;

To appoint a Director in place of Mr. Kishore Gupta (DIN: 00014205), Managing Director who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS

3. To ratify/confirm the remuneration payable to Cost auditors for the financial year ending 31st March 2019;

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors on recommendation of Audit committee and set out in the Explanatory Statement annexed to the Notice convening 42nd AGM, to be paid to the Cost Auditors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2019, be and is hereby ratified/confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. Payment of Minimum Remuneration to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company, in the event of inadequacy or absence of profits:

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and as per approval/ recommendation of the Nomination & Remuneration Committee and the Board, consent of the Members of the Company be and is hereby accorded to pay Rs. 1,75,692/- (Rupees One Lakh Seventy Five Thousand Six Hundred Ninety Two only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling, Provident fund and medical benefits to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company, as minimum remuneration, in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 26th March, 2020.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be necessary/required to give effect to this resolution."

5. Payment of Minimum Remuneration to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company, in the event of inadequacy or absence of profits:

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and as per approval/ recommendation of the Nomination & Remuneration Committee and the Board, consent of the Members of the Company be and is hereby accorded to pay Rs. 1,17,128/- (Rupees One Lakh Seventeen Thousand One Hundred Twenty Eight only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling and medical benefits to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the company, as minimum remuneration, in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 29th September, 2020.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be necessary/required to give effect to this resolution."

6. Authority to Board of Directors to borrow u/s 180(1)(c) of the Companies Act, 2013:

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company in annual general meeting held on 30th September 2014 and pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to authorise Board of Directors of the Company (the Board) to Borrow monies for the business of the Company from time to time which, together with the monies already borrowed by the company, would exceed its paid-up share capital, free reserves and securities premium account (apart from temporary loans obtained from its banker in the ordinary course of business namely loans repayable on demand or within six months from the date of loan such as short-term, cash-credit arrangements, the discounting of bills and the issue of short term loans of seasonal character, but not including loans raised for expenditure of a capital nature) subject to the condition that the total monies borrowed by the Board of Directors shall not exceed the aggregate of the paid up share capital, free reserves and Securities Premium Account of the company by more than the sum of Rs. 60,00,00,000/- (Rupees Sixty Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds or things that may be necessary to give effect to this resolution."

7. Authority to Board of Directors u/s 180(1)(a) of the Companies Act, 2013:

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company in the Extraordinary General Meeting held on 23rd January, 2016 and pursuant to the provisions of section 180 (1) (a) and

other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory amendment(s) thereto or re-enactment(s) thereof, for time being in force), consent of the members be and is hereby accorded to authorise Board of Directors of the Company (the Board) to create charge, mortgage and/or hypothecation in addition to the existing charges, mortgages, created/to be created by the Company on all or any of the movable and/or immovable, tangible and/or intangible properties of the Company wherever situated, both present and future, and in such form and manner and with such ranking and at such time and on such terms as the Board may deem fit, together with power to take over whole or substantially the whole of the undertaking of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/notes/other instruments (if any) to secure rupee/foreign currency loans and/or the issue of debentures/bonds/notes/other instruments from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalize, settle and execute such documents/ deeds/ agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in relation to creating mortgage/ charge as aforesaid and to acceptor make any alterations or variations in this regard."

By order of the Board of Directors

-sd-

Kishore Gupta

(DIN: 00014205)

Chairman & Managing Director

Date : 10th August, 2018

Place : Bhopal

Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
5. Brief details of the directors, who are being appointed / re-appointed, are annexed hereto as per requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Secretarial Standards.
6. The requirement to place the matter relating to ratification of appointment of Auditors by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of M/s. S.L. Khabya & Co, Chartered Accountants, (FRN: 00004-C) statutory Auditors, who were appointed in the 41st Annual General Meeting, held on September 28, 2017 to hold office till the conclusion of the 46th Annual General Meeting.
7. Members / Proxies / Authorised Representatives are requested to bring the Attendance Slip duly filled in and signed for attending the Meeting. Members who hold equity shares in electronic mode are requested to write the Client ID and DP ID number and those who hold equity shares in physical mode are requested to write their folio number in the attendance slip. Members are requested to bring to the Meeting necessary details of their Shareholding (Client ID & DP ID / Folio No.) and copy of their Notice.
8. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting.
9. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company/ RTA.
10. Members wishing to claim dividends, which had remained unpaid are requested to contact the Registrar and Share Transfer Agent/ Company. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.
11. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrar and Transfer Agents to record additional details of Members, including their Permanent Account Number details (PAN), e-mail address, etc and the Securities and Exchange Board of India ("SEBI") has also mandated the submission of PAN by every participant in the market. Members holding shares in electronic form are therefore requested to submit their PAN & e-mail address details to their Depository Participants

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with whom they are maintaining their De-mat accounts. Members holding shares in physical form are requested to submit their PAN & e-mail address to the Company / RTA.

12. Members desiring any information on the Accounts are requested to write to the company at least 10 days prior to the date of the meeting to enable the management to keep the information ready.
13. In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/serve notice(s) / document(s) etc. to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative.
14. Electronic copy of the Annual Report is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s). For Members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
15. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company.
16. Members may also note that the Notice of the AGM will be available on the Company's website http://www.stardeltatransformers.com/star_delta_investor1.php.
17. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the company to consolidate their holdings in one folio.
18. Members who still hold share in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries
19. The Register of members and the Share Transfer Books of the company will remain closed from 22nd day September, 2018 to 28th day September, 2018 (both days inclusive).
20. The Company's Registrar and Transfer Agents (RTA) is LINK INTIME INDIA PVT. LTD., C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai MH 400083.
21. Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM ("Remote E-voting") in the manner provided below, during the e-voting period.
22. The Remote E-voting period commences on September 25, 2018 (9:00 am) and ends on September 27, 2018 (5:00 pm). During the aforesaid period, Members of the company may opt to cast their votes through Remote E-voting. At the end of the Remote E-voting period, facility will be blocked.
23. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on September 21, 2018 (the "Cut off Date") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.
24. At the venue of meeting, voting shall be done through ballot papers ("Polling Paper") and the members attending the meeting who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
25. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.
26. The Board of Directors has appointed Ms. Shadab Anjum, Practising Company Secretary (Membership No. 8893) as the scrutiniser to the remote e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.
27. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

Voting through electronic means:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 25, 2018 (9:00 A.M.) and ends on September 27, 2018 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the

cut-off date (record date) of September 21, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN** for the relevant Star Delta Transformers Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

To Download m-Voting Mobile App

SCAN THIS QR CODE



How do you use the barcode scanner app?

Installing Barcode Scanner

1. Open the Play Store on your device. You can find the Play Store in your list of apps.
2. Tap the Search bar. This can be found at the top of the Play Store screen.
3. Type barcode scanner.
4. Tap QR & Barcode Scanner from Gamma Play.
5. Tap Install.
6. Tap Accept.
7. Tap Open.

How do I find the QR code on my phone?

To scan a QR code:

1. Open the QR code reader app installed on your device.
2. Scan the QR code by lining it up inside the window on your screen.
3. The barcode is decoded on your device and specific instructions are sent to the app for appropriate action (e.g. open a specific website).

(xix) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details by custodian a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com. or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, NM Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"):**Item No. 3:**

The Board of Directors, on recommendation of the Audit committee has approved the appointment of M/s. Sanjay Kasliwal, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-19.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified/confirmed by the members of the Company.

Board approved the remuneration of Rs. 25000/- (Rupees Twenty five thousand) plus out of pocket expenses on the recommendation of Audit Committee.

Accordingly, ratification/confirmation by the members is sought for the remuneration payable to the Cost Auditors by passing an Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Item No. 04 & 05:

The Special Resolutions set out at Item No. 04 & 05 of the Notice are, to seek the members approval to pay Rs. 1,75,692/- (Rupees One Lakh Seventy Five Thousand Six Hundred Ninety Two only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling, Provident fund and medical benefits to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 26th March, 2020 and Rs. 1,17,128/- (Rupees One Lakh Seventeen Thousand One Hundred Twenty Eight only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling and medical benefits to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the company, as minimum remuneration, in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 29th September, 2020 in accordance with the provisions of Section 196, 197, 198 read with Schedule V (Section II of Part II of Schedule V: Remuneration payable by companies having no profits or inadequate profit without Central Government Approval) of the Companies Act, 2013.

Mr. Kishore Gupta (DIN: 00014205), Managing Director and Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company have been looking after Company's business since their appointment and considering the time and labour involved by them and to honour their services, the Nomination & Remuneration Committee in its meeting held on 10th August, 2018 has passed/recommended resolution(s) to pay Rs. 1,75,692/- (Rupees One Lakh Seventy Five Thousand Six Hundred Ninety Two only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling, Provident fund and medical benefits to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company, as minimum remuneration, in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 26th March, 2020 and Rs. 1,17,128/- (Rupees One Lakh Seventeen Thousand One Hundred Twenty Eight only) per month with an increase of 10% per annum plus other perquisites for conveyance, travelling and medical benefits to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the company, as minimum remuneration, in the event of inadequacy or absence of profits, for a period commencing from 01st April, 2018 to 29th September, 2020 and the Board of Directors of the Company in their meeting held on 10th August, 2018 have also passed resolution(s) (subject to the approval of members of the Company) for payment of minimum remuneration to Mr. Kishore Gupta (DIN: 00014205), Managing Director and Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company in the event of inadequacy or absence of profits at the rates mentioned above and in terms of provisions/requirements of Section 197 and Schedule V (Section II of Part II of Schedule V: Remuneration payable by companies having no profits or inadequate profit without Central Government Approval) of the Companies Act, 2013, for payment of remuneration in the event of inadequacy or absence of profits as aforesaid, approval of members is required; therefore members approval is sought to the proposed

resolutions. The Directors recommend passing of the resolutions set out at Item No. 04 & 05 of the Notice, as **Special Resolutions**.

Mr. Kishore Gupta (DIN: 00014205), Managing Director and Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company and their relatives are interested in the Resolutions set out at Item No. 04 & 05 of the Notice.

Save and except the above, none of the Directors and their relatives is concerned or interested, financially or otherwise, in the aforesaid Resolutions.

Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013:

I. GENERAL INFORMATION:

Nature of Industry	Manufacturing			
Date or expected date of commencement of commercial production	Since its Incorporation (Company is an existing Company)			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable (Company is an existing Company)			
Financial performance based on given indicators	As per the Audited Financial Statements, the financial performance of the Company was, as under:			
		2017-18	2016-17	2015-16
	Total Revenue (including other income)	Rs. 67,04,80,178.24/-	Rs. 68,43,12,647.40/-	Rs. 78,79,15,576.08/-
Profit/(Loss) after tax	Rs. 2,17,74,235.16/-	Rs. 3,21,60,175.58/-	Rs. 3,16,45,259.10/-	
Foreign investments or collaborations, if any	Company does not have any foreign investments or collaborations.			

II. INFORMATION ABOUT THE APPOINTEE/DIRECTORS:

	Mr. Kishore Gupta (DIN: 00014205)	Mr. Rakesh Gupta (DIN: 00014139)
Background details	Mr. Kishore Gupta (DIN: 00014205), is Managing Director and Promoter of the Company. He is a Bachelor of Engineering with an experience of more than 38 years of the similar industry/ field/ business in which the Company is engaged. Mr. Kishore Gupta (DIN: 00014205) is the pillar of SDTL and has played a lead role in formulating the Company's strategy and ably assisted by the other Directors of the Company.	Mr. Rakesh Gupta (DIN: 00014139) is Whole Time Director and Promoter of the Company. He is bachelor of Science and Law Graduate Mr. Rakesh Gupta (DIN: 00014139) been a huge support for more than 33 years & is responsible for its Administrative Management. He is having vast knowledge in technical, business development and finance matters.

Past Remuneration	Rs. 19,16,640/- per annum	Rs. 17,42,400/- per annum
Recognition or awards	—	—
Job profile and his/her suitability	<p>Subject to the superintendence, control and direction of the Board, Mr. Kishore Gupta (DIN: 00014205) manages and supervises the business affairs of the Company and does all lawful acts and things in relation to such management.</p> <p>He has a very rich experience, & fully conversant with business operations of the Company.</p>	<p>Subject to the superintendence, control and direction of the Board Mr. Rakesh Gupta (DIN: 00014139) manages and supervises the business affairs of the Company and do all lawful acts and things in relation to such management.</p> <p>He has a very rich experience & fully conversant with business operations of the Company</p>
Remuneration proposed	As per resolution set out at Item No. 04 of the Notice	As per resolution set out at Item No. 05 of the Notice
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is comparable considering the industry, size of the company, the managerial position & the credentials of the Mr. Kishore Gupta (DIN: 00014205).	The proposed remuneration is comparable considering the industry, size of the company, the managerial position & the credentials of the Mr. Rakesh Gupta (DIN: 00014139)
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	<p>Mr. Kishore Gupta (DIN: 00014205) does not have any pecuniary relationship with the Company except remuneration drawn as a Managing Director.</p> <p>As per Section 2(77) of the Companies Act, 2013, Mr. Kishore Gupta (DIN: 00014205) is relative of Directors i.e. brother of Mr. Rakesh Gupta (DIN: 00014139) and also holds 5,83,500 Equity Shares of Company.</p>	<p>Mr. Rakesh Gupta (DIN: 00014139) does not have any pecuniary relationship with the Company except remuneration paid as a Whole Time Director.</p> <p>As per Section 2(77) of the Companies Act, 2013, Mr. Rakesh Gupta (DIN: 00014139) is relative of Directors i.e. brother of Mr. Kishore Gupta (DIN: 00014205) Managing Director of the Company and also holds 5,62,100 Equity Shares of Company.</p>

III. OTHER INFORMATION:

Reasons of loss or inadequate profits	—
Steps taken or proposed to be taken for improvement	—
Expected increase in productivity and profits in measurable terms	—

Information required to be furnished/disclosed as per requirements of Secretarial Standard on General Meetings (SS-2) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

	Mr. Kishore Gupta (DIN: 00014205)		Mr. Rakesh Gupta (DIN: 00014139)	
Date of Birth	20/02/1959		05/08/1962	
Age	59 years approx.		55 years approx.	
Qualification	B.E. (Electrical)		B. Sc., LL.B.	
Expertise in Functional Area	Engineering		Finance & Legal	
Experience	Experience of more than 38 years of the similar field/business in which the Company is engaged		Experience of more than 33 years of Administration & Management in the similar field/business in which the Company is engaged	
Terms and Conditions of Appointment / Re-appointment	NA(Only varying the terms of Remuneration)		NA(Only varying the terms of Remuneration)	
Remuneration sought to be paid	As per resolution set out at Item No. 04 of the Notice		As per resolution set out at Item No. 05 of the Notice	
Remuneration last drawn	Rs. 19,16,640/- per annum		Rs. 12,77,760/- per annum	
Date of first appointment on the Board	31st October 1987		15th October 1987	
Shareholding in the Company	5,83,500 Equity Shares of Rs. 10/- each		5,62,100 Equity Shares of Rs. 10/- each	
Relationship with other Directors, Managers and other key Managerial Personnel of the Company	As per Section 2(77) of the Companies Act, 2013, Mr. Kishore Gupta (DIN: 00014205) is relative of Directors i.e. brother of Mr. Rakesh Gupta (DIN: 00014139) and also holds 5,83,500 Equity Shares of Company.		As per Section 2(77) of the Companies Act, 2013, Mr. Rakesh Gupta (DIN: 00014139) is relative of Directors i.e. brother of Mr. Kishore Gupta (DIN: 00014205) Managing Director of the Company and also holds 5,62,100 Equity Shares of Company.	
No. of Meetings of the Board attended during the year.	05		05	
List of other Companies in which Directorships held	Bhopal Wires Private Limited		NA	
List of Membership / Chairmanship in Committees of the Board of the Company	Chairmanship	Membership	Chairmanship	Membership
	1.CSR Committee	1.Nomination and remuneration Committee	NA	1. Audit Committee 2. Stakeholder Relationship

	Committee 3. CSR Committee			
List of Membership / Chairmanship in Committees of the Board of Other Companies	Chairmanship	Membership	Chairmanship	Membership
		NII	NII	NII
Shareholding of Non- executive Directors of the Company	NA		NA	

Item No. 06:

As per provisions of Section 180(1)(c) of the Companies Act, 2013, Board of Directors of a company shall not borrow money (together with the money already borrowed) in excess of the Company's paid up share capital, free reserves and securities Premium Account, unless the approval of shareholders by way of special resolution is obtained and keeping in view the Company's plan for expansion and diversification, Board thinks it necessary to secure this power from shareholders, therefore the Board recommends passing of Resolution as set out in Item No. 06, as a Special Resolution.

The Directors may be deemed/considered interested to the extent of their shareholding in the company.

Item No. 07:

As per the provisions of section 180(1)(a) of the Companies Act, 2013 (the Act), a company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the shareholders is obtained by way of a special resolution.

In connection with the loan / credit facilities to be availed by the company, as and when required, through various sources for business purposes, the company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under section 180(1)(c) of the Act), for the purposes of securing the loan / credit facilities extended by them to the company.

The Directors may be deemed/considered interested to the extent of their shareholding in the company.

All documents concerning the Item No. 03 to 07 are available for inspection at the Registered Office of the Company from 11:00 AM to 01:00 PM on all working days till the date of the forthcoming Annual General Meeting of members.

**By order of the Board of Directors
For and on behalf of Star Delta Transformers Limited**

-sd-

Kishore Gupta

(DIN: 00014205)

Chairman & Managing Director

Date: 10th August, 2018

Place: Bhopal

BOARD REPORT

To
THE MEMBERS
STAR DELTA TRANSFORMERS LIMITED
BHOPAL

Your Directors have pleasure in presenting their 42nd Annual Report together with the audited accounts of the Company for the year ended March 31st, 2018.

1. FIRST YEAR OF IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (IND AS):

This is the first year of implementation of the Indian Accounting Standards (Ind AS). The standalone financial statements for the year ended March 31, 2018 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015. The financial statements for the year ended March 31, 2017 have been restated in accordance with Ind AS for comparative information.

2. FINANCIAL HIGHLIGHTS AND OPERATION:

Particulars	2017-2018	2016-2017
Revenue From Operation	66,22,47,626.44	66,82,90,445.00
Other Income	82,32,551.80	1,60,22,202.40
Total Revenue	67,04,80,178.24	68,43,12,647.40
Profit before Depreciation & Tax	4,01,67,388.49	5,77,26,090.19
Depreciation	76,93,153.33	78,86,658.00
Profit before tax	3,24,74,235.16	4,98,39,432.19
Current Tax	1,14,00,000.00	1,75,00,000.00
Deferred tax provision written off	(7,00,000.00)	(9,00,000.00)
Income tax earlier year	—	10,79,256.61
Profit after tax	2,17,74,235.16	3,21,60,175.58
Earnings per Share (Rs.):-	7.26	10.72
Basic:		
Diluted:	7.26	10.72

3. STATE OF COMPANY'S AFFAIRS & FUTURE OUTLOOK:

The Company's revenue has been decreased from Rs. 68,43,12,647.40/- to Rs. 67,04,80,178.24/- i.e. 2.02% and Company's profit before tax has decreased from Rs 4,98,39,432.19/- to Rs 3,24,74,235.16/- i.e. 34.80%.

Company is expected to have good demand for Distribution and Power Transformers and power related equipment's because massive investments are planned in coming years by the Govt. (Central & States) as well as private sector.

4. DIVIDEND:

Your Directors do not recommend any dividend for the year ended 31st March, 2018.

5. TRANSFER TO RESERVES IN TERMS OF SECTION 134(3)(J) OF THE COMPANIES ACT, 2013:

During the financial year under review, the Company has transferred an amount of Rs. 6,00,00,000/- to General Reserve account.

6. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

As on March 31, 2018, the Company does not have any Subsidiary /Joint Venture/ Associate Companies.

Further no Company has become or ceased to be Subsidiaries, Joint Ventures or Associate Company, during the financial year under review.

7. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company during the year.

8. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND DATE OF THE BOARD'S REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of this report.

9. EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form No. MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: I)**

10. LOANS, GUARANTEES AND INVESTMENTS

As on 31st March, 2018, details of Loans and/or Guarantees and/or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are as follows:

Sr. No.	Particular/ Nature of Transaction	Amount of Transaction
1.	Loan to Chirayu Charitable Foundation, Bhopal	Rs. 2,50,00,000.00
	Total	Rs. 2,50,00,000.00

11. RELATED PARTY TRANSACTIONS

The Company has implemented a Related Party Transactions policy for the purposes of identification and monitoring of such transactions. The policy on related party transactions as approved by the Board is uploaded on the Company's website <http://www.stardeltatransformers.com> During the financial year 2017-18, the Company entered into transactions with related parties, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

There are no transactions that are required to be reported in Form AOC-2 and as such does not form part of the Report.

Suitable disclosures have been made in the financial statements as prescribed in Indian accounting standards.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:Conservation of Energy:

Company continues its efforts to reduce and optimize the energy consumption at all manufacturing facilities, including corporate office through continuous monitoring and high degree of awareness for energy conservation. Company also has its own solar power plant. Company has not made any capital investment on energy conservation equipments.

A. POWER & FUEL CONSUMPTION		2017-18	2016-17
I. Electricity			
	Purchased units	361447	353999
	Total Amount (Rs)	3706028	3469403
	Rate per unit (Rs)	10.25	9.80

2017-2018

	Own generation		
	Diesel generator units	922	941
	Units per litre of diesel	41.32	39
	Average cost per unit (Rs)	41.32	39
II.	Coal		
	Quantity (MT)	—	—
	Total Cost (Rs)	—	—
	Average Rate (Rs)	—	—
B.	C. Consumption per unit of production		
	Standard (if any)	2017-18	2016-17
Products	Transformers	577.592	751.858
Units KVAH	—	361447	353999
Electricity/MVA	—	625.78	470.83
Coal —	—	—	

Technology absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company has not imported technology during the last three years and No research work has been carried out and therefore there is no expenditure on this account.

Foreign exchange earnings and outgo:

Foreign exchange earnings: Nil

Foreign exchange outgo: Nil

13. RISK MANAGEMENT

Risk management policy and processes enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. Risk Management is a central part of firm's strategic management. Risk Management is a continuous process. There are four fundamental approaches:

- Identity
- Asses & Evaluate
- Take action
- Review & report

Identified risk elements

- State/local regulations
- Labour concerns
- General economic conditions
- Commodity/ Raw material prices

- Competition
- Demand for products
- Technology innovation
- Legal/ Secretraial
- Natural disasters

Company through its functional heads reviews from time to time the deviation from the benchmarks and promptly make report to the Board, which in turn takes the corrective action to avoid severe conditions. The framework seeks to create transparency, minimize adverse impacts on the business objectives and enhance the Company's competitive advantage.

14. DIRECTORS AND KMP:

During the financial year 2017-18 the following changes have occurred in the constitution of Directors/KMP of the Company:

- Ms. Shweta Agarwal has resigned from the post of Company Secretary Cum Compliance Officer in the Board Meeting held on 25th October 2017.
- Ms. Ankita Upadhyay was appointed as the Company Secretary Cum Compliance officer of the Company w.e.f. 26th October 2017 in the Board Meeting held on 25th October 2017.
- Pursuant to provisions of section 152 and Articles of Association of the Company, Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company, who retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

15. DEPOSITS

Your Directors state that no disclosure or reporting is required in respect of details relating to deposits covered under Chapter V of the Act, because there were no transactions on these items during the year under review.

16. DECLARATION BY INDEPENDENT DIRECTORS:

Company has following three Independent Directors:

S. No.	Name & DIN	Date of Original Appointment	Date of Appointment in terms of Provisions of Companies Act, 2013
1	Mr. Laxmendra Maheshwari (DIN:00278005)	25/06/2009	27/03/2015
2	Mr. Shahshendra Lahri (DIN:02704101)	25/06/2009	27/03/2015
3	Mrs. Chhavi Kharb (DIN:01791358)	27/03/2015	--

All the above named Independent Directors have submitted to the company, declarations to the effect that they meet the criteria of Independence as specified/provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and

2017-2018

Disclosure Requirements) Regulations, 2015 the terms and conditions of appointment of independent directors are placed on the Company's website (http://www.stardeltatransformers.com/star_delta_investor1.php)

A separate meeting of Independent Directors of the Company was conducted on 27th November, 2017 in terms of provisions of Schedule IV of the Companies Act, 2013. All the independent directors of the Company were present at the meeting.

17. ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Schedule IV & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has evaluated the performance of every Director, Independent Directors, Board and its Committees and Chairperson based on the criteria laid down by the Nomination and Remuneration Committee. Rating sheets were circulated to the directors for the purpose of evaluation. A summary of performance evaluation of the Board, its Committees and individual directors was prepared on the basis of rating sheets received from the individual directors and the same was placed before the Board.

18. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements.

19. CORPORATE SOCIAL RESPONSIBILITY:

Company ceases to be a company covered under 135(1) of Companies Act 2013 for three consecutive financial years hence provisions of Corporate Social Responsibility does not apply to the company.

There are no details that are required to be reported in Annual Report on CSR activities.

20. ANTI SEXUAL HARASSMENT POLICY:

The Company has zero tolerance towards sexual harassment at the workplace. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work place (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2017-18, no complaints were received by the committee.

21. VIGIL MECHANISM:

As per Section 177(9) and (10) of the Companies Act, 2013, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The same has been posted on the website of the Company. No personnel of the Company were denied access to the Audit Committee.

22. NUMBER OF MEETINGS OF THE BOARD:

Following Meetings of the Board of Directors were held during the Financial Year 2017-18:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1	29/05/2017	5	5
2	11/08/2017	5	5
3	25/10/2017	5	5
4	13/11/2017	5	5
5	12/02/2018	5	5

Note: The board meeting held on 11/08/2017 was adjourned for considering some remaining business/agenda and the adjourned meeting was held on 12/09/2017 and all the Directors was present in adjourned meeting.

23. COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

A. Audit Committee:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made there under, the Board has constituted/reconstituted Audit Committee. The Audit Committee consists of three Directors out of which two are Independent Directors. The Chairman of the Audit committee is an Independent Director. Committee consists of the following Directors:

S. No.	Name & DIN	Status (Chairman/ Member)	Category
1	Mrs. Chhavi Kharab (DIN:01791358)	Chairperson	Independent/ Non-executive
2	Mr. Laxmendra Maheshwari (DIN:00278005)	Member	Independent/ Non-executive
3	Mr. Rakesh Gupta (DIN:00014139)	Member	Promoter/ Executive

B. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and rules made there under, the Board has constituted/reconstituted Nomination and Remuneration Committee. The Nomination and Remuneration Committee consists of three non-executive Directors out of which two are Independent Directors. The Chairman of the Nomination and Remuneration Committee is an Independent Director. The table sets out the composition of the Committee:

S. No.	Name & DIN	Status (Chairman/ Member)	Category
1	Mr. Laxmendra Maheshwari (DIN:00278005)	Chairman	Independent/ Non-executive
2	Mr. Shashendra Lahri (DIN:02704101)	Member	Independent/ Non-executive
3	Mrs. Chhavi Kharab (DIN:01791358)	Member	Independent/ Non-executive
4	Mr. Kishore Gupta (DIN:00014205)	Member	Promoter/ Executive

C. Stakeholders Relationship Committee

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and rules made there under, the Board has constituted/reconstituted Stakeholders Relationship Committee. The Stakeholders Relationship Committee consists of three Directors out of which two are Independent Directors. The Chairman of the Stakeholders Relationship Committee is an Independent Director. Committee consists of the following Directors:

S. No.	Name & DIN	Status (Chairman/ Member)	Category
1	Mr. Laxmendra Maheshwari (DIN:00278005)	Chairman	Independent/ Non-executive
2	Mrs. Chhavi Kharab (DIN:01791358)	Member	Independent/ Non-executive
3	Mr. Rakesh Gupta (DIN:00014139)	Member	Promoter/ Executive

D. Corporate Social Responsibility Committee

The Board has constituted Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and rules made there under. The Corporate Social Responsibility Committee consists of three or more directors, out of which at least one director shall be an independent director. Committee consists of the following Directors:

S. No.	Name & DIN	Status (Chairman/ Member)	Category
1	Mr. Kishore Gupta (DIN:00014205)	Chairman	Promoter/ Executive
2	Mr. Rakesh Gupta (DIN:00014139)	Member	Promoter/ Executive
3	Mr. Laxmendra Maheshwari (DIN:00278005)	Member	Independent/ Non-Executive

The detailed description of the above Committees of the board is provided in the Corporate Governance section of the annual report.

24. TRAINING TO INDEPENDENT DIRECTORS:

With a view to familiarize the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, 2015, the Company conduct various familiarization programmes for the independent directors as and when required.

The details of such familiarization programmes are placed on the Company's website www.stardeltatransformers.com

25. PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

S. No.	Name	Designation	Ratio to Median Remuneration
01.	Mr. Kishore Gupta (DIN:00014205)	Chairman & Managing Director	14.26
02.	Mr. Rakesh Gupta (DIN:00014139)	Whole Time Director	09.50

Notes:

Number of employees for calculations (as on 31.03.2018)

Median basic remuneration of employees other than directors

- B. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

There was a 25% increase in the basic remuneration of Miss Shweta Agarwal, Company secretary cum compliance officer (From 1st April 2017 to 25th October 2017)

- C. The percentage increase in the median remuneration of employees in the financial year:

	2017-18	2016-17	Percentage increase in median remuneration in 2017-18
Median Remuneration of employees other than whole time directors	1,34,340	1,16,880	14.93%

- D. The number of permanent employees on the rolls of Company:

Total permanent employees as on 31.03.2018 are Forty seven excluding Directors

- E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

On an average individual employees remuneration increased by 7%-8% from Financial year 2016-17 to Financial year 2017-18, There was 10% increase in the remuneration of Mr. Kishore Gupta (DIN:00014205) Chairman & Managing Director and Mr. Rakesh Gupta (DIN:00014139) Whole-time director & Chief financial officer in the financial year 2017-18.

The increase in remuneration is in line with the market trends, cost of living and to ensure the retention of skilled staff and compliance of Minimum wages Act.

There are no exceptional circumstances for increase in the managerial remuneration.

- F. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

- G. Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name	Designation	Remuneration (per month) (Basic) As on 31 March 2018	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company	Whether any such employee is a relative of any director or manager of the Company and if so, name of such Director or manager
Anil Ranjan Das	Vice president	134240	Permanent	B.E.	01.12.2008	59	Self-employed	Nil	No
Sudhir Shrivastava	Marketing head	75000	Permanent	B.E.	06-03-2017	48	Job in private company	Nil	No
Mayank Gupta	Vice president	79860	Permanent	B.E., MBA	22.06.2011	32	—	14.27	Yes (son of Mr Kishore Gupta, Managing director)
Pramod Singh Pundhir	Production manager	45000	Permanent	B.E.	06-06-2016	39	Job in private company	Nil	No
Vikas Chuahan	Testing manager	40000	Permanent	B.E., B.tech	25-06-2016	29	Job in private company	Nil	No
Miss Shweta Agarwal	Company Secretary & Compliance officer	30000	Permanent	Company Secretary	22.04.2015 Resigned on 25.10.2017	28	—	Nil	No
Rohit Shrivastava	Sales Executive	29670	Permanent	B.Tech	01.10.2001	46	—	Nil	No
A.K.Daga	Accountant	26140	Permanent	M.Com	16.08.1991	58	—	0.01	No
Miss Ankita Upadhyay	Company Secretary & Compliance officer	25000	Permanent	Company Secretary	26.10.2017	26	-	Nil	No
Tahir hussain	Supervisor	21720	Permanent	Graduate	01.11.2009	58	—	0.03	No
Rajendra Kumar Jain	Accountant	18530	Permanent	M.Com	17-09-2007	56	Job in private company	Nil	No

There was no employee who in terms of remuneration drawn:

- I. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees.
- II. If employed for part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in aggregate, was not less than eight lakh and fifty thousand rupees per month.
- III. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

26. REMUNERATION POLICY:

The remuneration policy as recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting is presented in the Corporate Governance report forming part of the Annual report.

27. SHARES IN SUSPENSE ACCOUNT:

There are no shares in suspense account

28. SHARES IN UNCLAIMED SUSPENSE ACCOUNT:

There are no shares in unclaimed suspense account

29. SHARESTRANSFERRED TO IEPF SUSPENSE ACCOUNT:

Pursuant to applicable provisions of the Companies Act 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority, Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs.9300/- along with the interest of Rs.3324/- for the year 2009-2010. Further 2100 corresponding shares were transferred as per the requirement of IEPF rules

Details of the same can be accessed from the website of the company. http://www.stardeltatransformers.com/star_delta_iepf.php

30. CODE OF CONDUCT:

Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. As required the said code has been posted on the website of the Company (<http://www.stardeltatransformers.com/index.php>.) All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2018. A declaration to this effect signed by the Managing Director forms part of the Corporate Governance report.

31. CORPORATE GOVERNANCE:

A separate report on the Corporate Governance is attached as a part of the annual report. The Auditors Certificate regarding Compliance of the conditions of Corporate Governance is also annexed here to as **Annexure II**, which forms part of this report.

32. MANAGEMENT DISCUSSION & ANALYSIS:

As per Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to prepare/attach a Management Discussion and

Analysis Report as a part of this Board's Report or addition thereto and the same is attached as Annexure to this Report.

33. AUDITORS AND REPORT THEREON:***Statutory Auditor***

In terms of the provisions of Section 139 of the Companies Act, 2013, members of the Company in the 41st Annual General Meeting (AGM) held on 28th September, 2017 has appointed M/s. S.L. Khabya & Co, Chartered Accountants, (FR No. 00004-C), as the Statutory Auditors of the Company for a period of five years i.e. up to the conclusion of the AGM of the Company for the financial year 2021-22.

There are no qualifications or adverse remarks in the Auditors Report which required any clarification/explanation. The notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2018 is annexed herewith for your kind perusal and information.

Secretarial Auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made there under the Company has appointed, ASA & Associates, Company Secretaries in Practice, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2017-18 in the prescribed form MR-3 is annexed to this Report **(ANNEXURE-III)**.

Pursuant to the provisions of section 204(3) and 134(3) of the Companies Act, 2013 and Rules made there under, the Board of directors of Star Delta Transformers Limited provide the clarification in respect to the observations raised by the Secretarial auditor in Secretarial audit report.

Company is in compliance with all the provisions of various acts applicable to the Company. However due to inevitable reasons, some points were missed. Company has taken note of the same and will ensure compliance in the future.

Cost Audit:

Pursuant to section 148 of the Companies Act, 2013, and the Rules made there under, the Board of Directors had, on the recommendation of the Audit Committee, appointed of M/s. Sanjay Kasliwal Cost Accountants, to audit the cost accounts of the Company for the financial year 2018-19 and in terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the cost auditor (M/s. Sanjay Kasliwal Cost Accountants) is proposed for ratification by the members at the forthcoming 42nd AGM.

34. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of Bonus Shares and/or Right Shares.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Buy Back of Shares.
5. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

35. DETAILS OF FRAUDS REPORTABLE U/S 143(12):

During the year under review, there is no fraud being or has been committed in the Company or against the Company by officers or employees of the Company, which are reportable by the Auditors to the Central Government or to the Board or to the Audit Committee under Section 143(12) of the Companies Act, 2013; therefore no disclosure required in this regard.

36. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

37. COMPLIANCES OF SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

38. ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

On behalf of Board of Directors

Place : Bhopal

Sd/-

Sd/-

Date : 10th August, 2018

(KISHORE GUPTA)

(RAKESH GUPTA)

(DIN : 00014205)

(DIN : 00014139)

CHAIRMAN & MANAGING DIRECTOR

Whole-time DIRECTOR

ANNEXURE-I Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	L31102MP1977PLC001393
2.	Registration Date	17th February 1977
3.	Name of the Company	Star Delta Transformers Limited
4.	Category / Sub-Category of the Company	Public Limited Company/Company Limited by shares
5.	Address of the Registered office and contact details	92-A Industrial Area, Govindpura, Bhopal-462023, Ph no: +91-755-2586680, 4261003, Email id: star.delta @rediffmail.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Pvt. Ltd. C 101, 247 Park LBS Marg, Vikhroli West Mumbai 400083 Tel. : +91-22-49186000 Fax. : +91-22-4918 6060 Email : rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Distribution/Power Transformers	27102	65.64
2.	Service	82990	33.34

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Company does not have any holding, Subsidiary or Associate Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (31-03-2017)				No. of Shares held at the end of the year (31-03-2018)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2189800	0	2189800	72.98	2189800	0	2189800	72.98	—
b) Central Govt/State Govt	0	0	0	0	0	0	0	0	—

c) Banks / FI	0	0	0	0	0	0	0	0	—
d) Any Other	0	0	0	0	0	0	0	0	—
c) BodiesCorp.	60000	0	60000	1.99	60000	0	60000	1.99	—
Sub-total(A) (1):-	2249800	0	2249800	74.98	2249800	0	2249800	74.98	—
2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	—
b) Other - Individuals	0	0	0	0	0	0	0	0	—
c) Bodies Corp.	0	0	0	0	0	0	0	0	—
d) Banks / FI	0	0	0	0	0	0	0	0	—
e) Any Other	0	0	0	0	0	0	0	0	—
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	—
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2249800	0	2249800	74.98	2249800	0	2249800	74.98	—
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	—
a) Mutual Funds	0	0	0	0	0	0	0	0	—
b) Banks / FI	0	0	0	0	0	0	0	0	—
c) Central Govt	0	0	0	0	2100	0	2100	0.07	0.07
d) State Govt(s)	0	0	0	0	0	0	0	0	—
e) Venture Capital Funds	0	0	0	0	0	0	0	0	—
f) Insurance Companies	0	0	0	0	0	0	0	0	—
g) FIs	0	0	0	0	0	0	0	0	—
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	—
i) Others (specify)	0	0	0	0	0	0	0	0	—
Sub-total (B)(1):-	0	0	0	0	2100	0	2100	0.07	0.07
2. Non- Institutions									
a) Individuals									
Individual shareholders holding nominal share capital upto Rs. 1 lakh	289560	21500	311060	10.36	284095	19400	303495	10.11	-0.25
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	325820	0	325820	10.85	337753	0	337753	11.25	0.40
NBFCs registered with RBI	0	0	0	0	0	0	0	0	—
Employee trusts	0	0	0	0	0	0	0	0	—
Overseas depositories	0	0	0	0	0	0	0	0	—
c) Others (specify)									
NRI Individuals (Non Rep.)	1000	0	1000	0.033	1577	0	1577	0.052	0.019
NRI (Repatriation)	475	0	475	0.015	432	0	432	0.014	-0.001
Hindu undivided family	13902	0	13902	0.46	14416	0	14416	0.48	0.02
Clearing member	5270	0	5270	0.175	2687	0	2687	0.089	-0.086
Body corporate	92873	0	92873	3.09	87940	0	87940	2.93	-0.16
Sub-total (B)(2):-	728900	21500	750400	25.01	728900	19400	748300	24.94	-0.07
Total Public Shareholding (B)=(B)(1)+ (B)(2)	728900	21500	750400	25.01	731000	19400	750400	25.01	—
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	—
Grand Total (A+B+C)	2978700	21500	3000200	100	2980800	19400	3000200	100	—

ii. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (31.03.2017)			Share holding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	KISHORE GUPTA	583500	19.4487	0.5000	583500	19.4487	0.5000	Nil
2.	RAKESH GUPTA	562100	18.7354	3.9997	562100	18.7354	3.9997	Nil
3.	MAYANK GUPTA	428300	14.2757	4.4997	428300	14.2757	4.4997	Nil
4.	ARCHANA GUPTA	268300	8.9427	3.9997	268300	8.9427	3.9997	Nil
5.	MANJU GUPTA	241500	8.0495	0.5000	241500	8.0495	0.5000	Nil
6.	MANALI GUPTA	70000	2.3332	0.0000	70000	2.3332	0.0000	Nil
7.	ARK TRANSFORMERS PVT LTD.	60000	1.9999	0.0000	60000	1.9999	0.0000	Nil
8.	ARCHIT GUPTA	20000	0.6666	0.0000	20000	0.6666	0.0000	Nil
9.	TUSHARIKA GUPTA	10000	0.3333	0.0000	10000	0.3333	0.0000	Nil
10.	LAXMI NARAYAN GUPTA	4600	0.1533	0.0000	4600	0.1533	0.0000	Nil
11.	NEETA GUPTA	1500	0.0500	0.0000	1500	0.0500	0.0000	Nil
	Total	2249800	74.9883	13.4991	2249800	74.9883	13.4991	Nil

iii. Change in Promoters' Shareholding

There are no changes (increase/decrease) in the shareholding of the promoters in the year 2017-18.

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year (31.03.2017)		Cumulative Shareholding during the year (31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Arihant Capital Markets Ltd	80909	2.69	80909	2.69
2	Subramanian P	59720	1.99	76781	2.56
3	Ajay Goenka	48500	1.61	49185	1.64
4	Om prakash Gupta	38400	1.27	35487	1.18
5	Nirmal Gupta	28200	0.93	25300	0.84
6	Arvind Goenka	25000	0.83	25000	0.83
7	Sanwal Prasad Goenka	25000	0.83	25000	0.83
8	Arune Goenka	24000	0.79	24000	0.79
9	Ayush Goenka	24000	0.79	24000	0.79
10	Snehlata Goenka	20200	0.67	20200	0.67

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name & Designation	Shareholding at the beginning of the year		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Kishore Gupta (DIN : 00014205) (Managing Director)	583500	19.44	583500	19.44	—	—
2	Rakesh Gupta (DIN : 00014139) (Whole time Director & CFO)	562100	18.73	562100	18.73	—	—

There is no change (increase/decrease) in the shareholding of Directors and Key managerial personnel during the year 2017-18

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

In lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,42,44,274.12	NIL	N.A.	4,42,44,274.12
ii) Interest due but not paid	NIL	NIL	N.A.	NIL
iii) Interest accrued but not due	NIL	NIL	N.A.	NIL
Total(i +ii + iii)	4,42,44,274.12	NIL	N.A.	4,42,44,274.12
Change in Indebtedness during the financial year				
Addition	1,92,77,402.96	NIL	N.A.	1,92,77,402.96
Reduction	NIL	NIL	N.A.	NIL
Net Change	1,92,77,402.96	NIL	N.A.	1,92,77,402.96
Indebtedness at the end of the financial year				
i) Principal Amount	6,35,21,677.08	NIL	N.A.	6,35,21,677.08
ii) Interest due but not paid	NIL	NIL	N.A.	NIL
iii) Interest accrued but not due	NIL	NIL	N.A.	NIL
Total(i +ii + iii)	6,35,21,677.08	NIL	N.A.	6,35,21,677.08

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name		Total Amount
		Kishore Gupta (Managing Director)	Rakesh Gupta (Whole time Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1742400	1277760	3194400
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	174240	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - Others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	1916640	1277760	3194400
	Ceiling as per the Act			3247423.51

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Laxmendra Maheshwari	Shashendra Lahri	Chhavi Kharb	
	(1) Independent Directors				
	● Fee for attending board committee meeting	6000	6000	6000	18000
	● Commission	—	—	—	—
	● Conveyance	—	—	—	—
	Total (1)	6000	6000	6000	18000
	(2) Other Non-Executive Directors	Company do not have any non executive directors			
	● Fee for attending board committee meetings				
	● Commission				
	Others, please specify				
	Total (2)	—			
	Overall Ceiling as per the Act	Rs one Lakh per meeting			

Board has paid sitting fees for the adjourned meeting also to the Non-executive directors.

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SI.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary	Company Secretary	CFO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	No CEO has been appointed by the Company	316823.50 Shweta Agarwal (01-04-2017 to 25-10-2017)	129838.70 Ankita Upadhyay (26-10-2017 to 31-03-2018)	Whole time Director acts as the CFO of the Company for which no separate remuneration is paid	446662.2
2.	Stock Option	—	—	—		—
3.	Sweat Equity	—	—	—		—
4.	Commission ● as % of profit ● Others, specify...	—	—	—		—
5.	Others, please specify	—	—	—		—
	Total	—	316823.5	129838.7	—	446662.2

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no Penalties or Punishments imposed on the Company. No compounding of offences.

ANNEXURE-II
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**The Board of Directors,
Star Delta Transformers Limited
Bhopal - 462023**

We have reviewed the implementation of Corporate Governance Procedure by the Company during the year ended 31st March 2018, with the relevant records and documents maintaining by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

We further state that our examination of such compliances is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.L. Khabya & Co
Chartered Accountants
Firm Registration No. 000004C

Sd/-
C.A. Sumit Khabya
Partner
M.No. 0414887

Place : BHOPAL

Date : 10th August, 2018

ANNEXURE-III
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Star Delta Transformers Limited
92 A, Industrial Area,
Govindpura, Bhpoal (M.P.) 462023,

I/We were appointed by the Board of Directors of **Star Delta Transformers Limited (CIN:L31102MP1977PLC001393)** (hereinafter called "**the Company**") to conduct Secretarial Audit for the financial year from 01st April 2017 to 31st March 2018. I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company.

Secretarial Audit was conducted in a manner that provided me/us with a reasonable basis for evaluating the corporate conduct/ statutory compliance and expressing our opinion thereon.

Management's Responsibility:

The Management of the Company is completely responsible for preparation and maintenance of Secretarial records and for developing proper systems to ensure compliance with the provisions of applicable Laws, Rules and Regulations.

Auditor's Responsibility:

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances, on the basis of verification done by us on test basis.

Further our responsibility is also to express an opinion on existence of adequate Board Process and Compliance Management System, commensurate to the size of the Company, based on these secretarial records as shown to me/us during the said audit and also based on the information furnished to me/us by the officers and the agents of the Company during said audit.

We have followed the audit practices and processes as were appropriate to the best of my/our understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I/We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

I/We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decision taken by the Board, their Committees and Members of the Company during the period under scrutiny/audit. I/We have checked the Board Process and Compliance Management System to understand and to form an opinion as to whether there is an adequate system of seeking approval of the Board, their Committees, Members of the Company and of other authorities as per provisions of various statutes as mentioned hereinafter.

Wherever required I/We have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

Our report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

Based on information and/or details received during our visit to Company's Registered Office and on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company at its Registered Office and also the information provided by the Company, its Company Secretary, its Officers, Agents, Functional Heads and Authorized Representatives during the conduct of Secretarial Audit, I/We hereby report that in my/our opinion,

the Company has, during the audit period covering the financial year ended on 31st March, 2018, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and other records maintained at Registered Office by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not Applicable to the Company during the Audit Period.]
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not Applicable to the Company during the audit period, as the Company has not issued Share Capital during the financial year under review.]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Not Applicable to the Company during the Audit Period, as the Company has not issued Employee Stock Option Scheme and Employee Stock Purchase Scheme during the financial year under review.]
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not Applicable to the Company during the Audit Period, as the Company has not Issued and/or Listed any debt securities during the financial year under review.]
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not Applicable to the Company during the Audit Period, as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review.]
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not Applicable to the Company during the Audit Period as the Company has not bought back any of its securities during the financial year under review.]
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The Management/ Company has confirmed that, the Company being a Transformer (Electric) Industry, there are no specific applicable laws to the Company which requires specific approvals or compliances under any act or regulations except under Energy Conservation Act, 2001, and as per information/ declaration given by the management, the Company has obtained permission for affixing label as per provisions of Section 14(a) of Energy Conservation Act, 2001 read with Regulation No. 7 of Bureau of Energy Efficiency (Particulars and Manner of their Display on Labels of Distribution Transformers) Regulations, 2009 and aforesaid permission has expired on 05/01/2018.

(vii) The Management/ Company has identified and confirmed the following laws as other laws applicable to the Company:

- The General Clause Act, 1897
- The Registration Act, 1908
- The Indian Stamp Act, 1899
- The Limitation Act, 1963
- The Transfer of Property Act, 1882
- The Indian Contract Act, 1872
- The Negotiable Instrument Act, 1881
- The Sale of Goods Act, 1930
- The Information Technology Act, 2000
- The Micro, Small and Medium Enterprises Development Act, 2006
- The Consumer Protection Act, 1986
- The Legal Metrology Act, 2009
- Public Liability Insurance Act, 1991
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Arbitration and Conciliation Act, 1996
- The Factories Act, 1948
- The Payment of Bonus Act, 1965
- The Employees Provident Fund (EPF) & Miscellaneous Provisions Act, 1952
- The Employees State Insurance (ESI) Act, 1948
- The Employees Compensation Act, 1923
- The Payment of Gratuity Act, 1972
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Equal Remuneration Act, 1976
- The Maternity Benefit Act, 1961
- The Child Labour (Prohibition & Regulation) Act, 1986
- The Industrial Disputes Act, 1947
- The Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961
- The Industrial (Development and Regulation) Act, 1951
- The Madhya Pradesh Industrial Relation Act, 1960
- The Madhya Pradesh Shram Kalyan Nidhi Adhinyam, 1982
- The Income Tax Act, 1961
- The Madhya Pradesh Professional Tax Act
- The Central Excise Act, 1944, the Central Sales Tax Act, 1956, the Madhya Pradesh VAT Act, 2002, the Madhya Pradesh Entry Tax Act, 1976 & the Service Tax etc. (for the period from 01/04/2017 to 30/06/2017)

2017-2018

- The Goods and Service Tax Act, 2017 (for the period from 01/07/2017 to 31/03/2018)
- Environment Laws i.e. the Environment (Protection) Act, 1986 read with Environment (Protection) Rules, 1986, the Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975, the Air (Prevention & Control of Pollution) Act, 1981, read with the Air (Prevention & Control of Pollution) Rules 1982, Hazardous wastes (Management, Handling and Transboundary Movement) Rules, 2016.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations as mentioned below:

1. **The Companies Act, 2013 ("the Act") & Rules made thereunder:**

- (a) *As per provisions of Section 93 of the Act read with Rule 13 of the Companies (Management and Administration) Rules, 2014, during the financial year under review, the Company was required to file, the details of changes in the shareholding position of top ten shareholders of the Company, representing increase or decrease by two percent or more of the paid up share capital of the Company, to the Registrar of Companies, in Form MGT-10, within fifteen days of such change; however the Company has not filed the same.*
- (b) *In terms of provisions of Section 117 of the Act read with Section 179 and Rule 8 of the Companies (Meetings of Board and Its Powers) Rules, 2014, the Company was required to file Form MGT-14 for approval of draft un-audited financial statements for the financial year ended 31st March, 2017; however the Company has not filed the same. As per clarification given by the management, the Company has filed Form MGT-14 for approval of audited financial statements for the financial year ended 31st March, 2017; therefore the Company has not filed form MGT-14 for approval of draft un-audited financial statements referred above.*
- (c) *In terms of provisions/requirements of Section 124(6) read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company was required to inform the concerned shareholder (in respect of whose shares, dividend has not been paid or claimed for seven consecutive years or more) regarding transfer of their shares in the name of Investor Education and Protection Fund, on or before 31/07/2017 (i.e. three months before the due date of transfer of shares) and also required simultaneously to publish a notice in the leading newspaper in English and Regional Language having wide circulation; however the Company has sent information to the concerned shareholders regarding transfer of their shares in the name of IEPF on 24/10/2017 and also published the notice of the same in the English and Hindi Newspaper on 27/10/2017.*
- (d) *As per information given by the management, in terms of provisions of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred 2,100 equity shares to the Investor Education and Protection Fund Authority on 24/11/2017 and filed Form No. IEPF-4 (Statement of shares transferred to the Investor Education and Protection Fund) on 18/12/2017.*
- (e) *During the financial year under review, the Company has partially complied with the provisions of Section 186(4) of the Act relating to disclosure to be made in financial statements in respect of loan given.*
- (f) *In respect of qualification/ disqualification of Auditor(s), we have relied on the Certificates/ Consents given by the Concerned Auditor(s).*

2. **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations { "the Listing Regulations"}:**

- (a) *As per provisions/ requirements of Regulation 30(5) of the Listing Regulations, the Board of directors of the Company were required to authorize one or more Key Managerial Personnel for the purpose of determining*

materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under Regulation 30 of the Listing Regulations and the contact details of such personnel are also need to be disclosed to the Stock Exchange(s); however due to non-availability of adequate supportings, we are unable to report compliance in this regard.

- (b) During the financial year under review, the Company has partially complied with the provisions/ requirements of sub-regulation (8) of Regulation 30 of the Listing Regulations.
- (c) During the financial year under review, the Company has partially complied with the provisions/ requirements of Regulation 46(2) of the Listing Regulations.

3. **Taxation laws:**

(a) **Income Tax Act :**

- (i) As per information/ documents provided by the management and on the basis of verification done by us on test basis, the Company has submitted/deposited some Challans of TDS after due dates.
- (ii) As per information/ documents provided by the management and on the basis of verification done by us on test basis, the Company has submitted/deposited some Challans>Returns of TCS after due dates.

(b) **Central Excise Act:** As per information/ documents provided by the Management, the Company has filed/ submitted all the Returns of Excise on or before due dates; except for the month of June, 2017.

(c) **VAT Act :** As per information/ document provided by the management, the Company has filed/ submitted/ deposited all the Challans/ Returns of VAT Tax on or before due dates, except payment of Challan for the month of June, 2017.

(d) **Entry Tax Act:** As per information/ document provided by the management, the Company has filed/ submitted/ deposited all the Challans/ Returns of Entry Tax on or before due dates, except payment of Challan for the month of June, 2017.

(e) **Professional Tax Act:** As per information/ documents provided by the Management, the Company has filed/ submitted some Challans for Professional Tax after due dates and Returns under the Professional Tax are not yet filed.

(f) **The Goods & Service Tax Act, 2017:**

- (i) As per information given by the management, during the financial under review, the company has filed/ submitted/paid all the challans/returns under GST Act within the time specified for the same under the GST Act. Further we are not commenting on the appropriateness of coverage as well as calculation of the GST levy and ITC availability.
- (ii) Carry over/carry forwarded amount of input tax credit shown in Form TRAN-1 is not matching with the closing balance of Input Tax Credit/CENVAT Credit shown in Service Tax Return for the period ended 30th June, 2017.

4. **Labour Laws:**

(a) As per information given by the management, the Company has paid bonus under the Payment of Bonus Act, 1965 and complied with the provisions of the Payment of Bonus Act, 1965; however during the financial year under review, the Company has not submitted/ filed Form No. D (Annual Return) to the Concerned Labour Authority/ Officer. Further as per explanation provided by the management, the Company has not received any show cause notice/ intimation/ objection/ directions in this regard from abovementioned authority.

(b) As per information given by the management, the Company has paid Wages as per the Minimum wages Act, 1948 and complied with the provisions of the Minimum wages Act, 1948; however the Company has not submitted/ filed Form No. III (Annual Return) to the Concerned Labour Authority/ Officer. Further as per

explanation provided by the management, the Company has not received any show cause notice/ intimation/ objection/directions in this regard from abovementioned authority.

- (c) As per information/ declaration provided by the management, due to reimbursement process of Gratuity payment through the LIC, Gratuity has not been paid within the time specified under the Payment of Gratuity Act, 1972 and as per clarification provided by the management, the Company has made payment of gratuity only through LIC and the payment of gratuity has been made by the Company to its employees within a week from the date of reimbursement by the LIC made.*
 - (d) As per information/ documents provided by the management, the Payment of Contribution under the Madhya Pradesh Shram Kalyan Nidhi Adhiniyam, 1982 for the half year ended 31st December, 2017 has been made with some delay.*
 - (e) During the financial year under review, the Company has generally complied with the applicable provision of labour laws, Acts, Rules, Regulations, Guidelines, Standards, etc; however there are some procedural/ Technical/ Legal lacunas in complying with some of the provision of labour laws.*
- 5. As per information/ declaration given by the management, as the quantity of hazardous substances handled by the Company is below the quantity specified under the Public Liability Insurance Act, 1991; therefore provisions of the Public Liability Insurance Act, 1991 and Rules/Regulation made thereunder should be deemed to be not applicable to the Company for the financial year under review.*
 - 6. As per information provided by the management, the Company has obtained Consent of the M.P. Pollution Control Board (a) under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974; (b) under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and; (c) Authorisation under Hazardous Waste (Management handling & Trans boundary movement) Rules and as informed by the management, during the financial year under review, the Company has not submitted any Report/ Document/ Return to any authority and has also not maintained any Register/Record under any environmental law and rules made thereunder and the Company has not received any show cause notice/ objection/ specific order/ direction in this regard from any authority under any environmental laws.*
 - 7. During the financial year under review, the Company has partially complied with the provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in respect of constitution/composition of the Internal Complaints Committee.*
 - 8. During the financial year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above; however there are some procedural/ Technical/ Legal lacunas in complying with some of the Act, Rules, Regulations, Guidelines, Standards, etc.*
 - 9. As informed by the Management, during the financial year under review, the Company has responded to notices by various statutory Regulatory Authorities & initiated actions for corrective measures, wherever necessary to the extent possible.*
 - 10. The Reporting of all the above mentioned Act/ Rules/ Regulations/ Guidelines/ Standards is limited to the extent mentioned above and is based on the information/ declaration/ documents provided by the Company, its Company Secretary and its Officers.*

I/We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the financial year under review. As per information/declaration given by the management and as per verification done by us on the test basis, adequate notices along with agenda and detailed notes on agenda are given to all Directors/ Members of Committees, to schedule the Board Meetings and Committee Meetings, at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per information given by the management, all decisions at Board Meetings and Committee Meetings are carried through majority. Further, decisions at General Meetings are carried through requisite majority.

As per information/ declaration given by the management, Register of Members with Index and Register of Share Transfer is maintained by the Registrar and Transfer Agent (RTA) at the office of RTA and periodic information is sent to the Company.

On the basis of information provided by the management, I/We further report that during the audit period, following events have occurred which had major bearing on the Company's affairs:

- i) During the financial year under review, Ms. Shweta Agarwal (PAN: AQKPA9903A) Company Secretary & Compliance Officer of the Company has resigned w.e.f. 25/10/2017 and Ms. Ankita Upadhyay (PAN: ADHPU8623M) has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 26/10/2017.
- ii) During the financial year under review, the Company has, at the Annual General Meeting held on 28/09/2017, appointed M/s. S.L. Khabya & Co, Chartered Accountants, (FRN: 00004-C) as the Statutory Auditors of the Company in place of the Retiring Auditors M/s. A.K. Khabya & Co., to hold office until the conclusion of the 46th AGM of the Company.
- iii) During the financial year under review, the Company has transferred 2,100 equity shares to the Investor Education and Protection Fund Authority in terms of provisions of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

I/We further report that there are generally adequate systems and processes in the Company commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable Laws, Rules, Regulations, Standards and Guidelines; however some deviations were observed during the financial year under review but the Company is striving to ensure timely compliance with the different Acts/ Laws/ Rules/ Regulations/ Guidelines and Standards.

For **ASA & Associates**
Company Secretaries

Sd/-

S.M. Ashraf

Membership No.: FCS 6233

C P No.: 5148

Email: smashraf08@gmail.com

Website: www.asacsonline.com

Place: Bhopal

Date : 08th August, 2018

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To,

The Members,
Star Delta Transformers Limited
92 A, Industrial Area,
Govindpura Bhopal (M. P.) 462023,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **ASA & Associates**
Company Secretaries

Sd/-

S.M. Ashraf

Membership No.: FCS 6233

C P No.: 5148

Email: smashraf08@gmail.com

Website: www.asacsonline.com

Place: Bhopal

Date : 08th August, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2018.

a. INDUSTRY STRUCTURE, DEVELOPMENT -

Market Size of the Indian power sector is undergoing a significant change that has redefined the industry outlook. Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. India's power sector is one of the most diversified in the world.. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

b. OPPORTUNITIES, THREATS AND RISKS

Transformers being used in generation, transmission as well as distribution network have experienced healthy growth over the last few years and the market is further set to rise as a result of increased governmental focus towards rural electrification. Although there is stiff competition in the market, yet because of wide product range, innovation and adoption of new technologies, pricing pressure, design parameters. Company has taken various initiatives with an aim to address these concerns.

c. SEGMENT WISE PERFORMANCE:

The company operates broadly into following segments.

(i) Manufacturing (ii) Turnkey projects division (iii) Solar

(i) Manufacturing Division: Company has a very wide range of distribution and power transformers varying from 10 KVA, 250V/11KV to 40 MVA, 132 KV catering to various Electricity Boards of Madhya Pradesh, Chattisgarh, Maharashtra, Orissa, Rajasthan, Andhra Pradesh etc. The Company supplies through direct orders from Discoms and also through major private contractor companies like L&T, BHEL, Bajaj Electricals, Genus infra power ltd., Blue star Ltd., Vindhya telelinks ltd, Angeliq international company ltd., Bharat electricals, Sangli, Fedder Liyod Ltd., KEI Industries Ltd., EPC Division etc.

With a vast experience of more than 41 years and reliable after-sales service, Company has become most trusted in Central India.

(ii) Turnkey projects division: Company is currently executing a major turnkey contract from MPMKVCL, Jabalpur for supply, erection, commissioning of 33/11 KV substations along with 33KV & 11 KV lines in Rewa region.

Also, Company is executing two major Turnkey contracts from MPPKVCL, Jabalpur for supply, erection, commissioning of Rural electrification work under Deen dayal upadhyay gram jyoti yojna (DDUGJY) scheme and for urban electrification work under Integrated power development scheme (IPDS) in Tikamgarh Circle of Madhya Pradesh and the progress of the same is satisfactory.

(iii) Solar: Company has setup 500 KWp PV On-grid Solar Power Plant in village Gagorni, Rajgarh district of Madhya Pradesh. The plant was commissioned on 12th Oct. 2012 under the REC (Renewable Energy Certificate) Mechanism with annual generation capacity of 7.5 Lakhs units. During F.Y. 2017-18 7,86,550 Units were produced & generated revenue of Rs.34,38,265/-. The Company has future plans to setup additional plants for expansion.

d. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:

The company has adequate internal control system commensurate with the size of the operations by a Company. The Audit committee periodically reviews the implementation of management policies to ensure that transactions have been accurately recorded and promptly reported.

e. OUTLOOK:

The transformer market in India has been stable for quite some years now. The market is expected to witness healthy growth rates and stimulating demand for the coming years.

f. HUMAN RESOURCES & INDUSTRIAL RELATION:

The company has maintained very harmonious & cordial Industrial relations. There is continuous emphasis on development of human resources through training. We believe whatever we achieved from where we started our journey long back is the result of efforts of our team. So, we consistently aim to provide a sustainable environment for learning right from the stage of recruitment to retention. Total permanent employees as on 31.03.2018 are Fourty seven excluding Directors.

For Star delta transformers limited

Place : Bhopal

Date : 10th August, 2018

Sd/- (KISHORE GUPTA)

(DIN : 00014205)

CHAIRMAN & MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-2018

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Star Delta Transformers Limited is dedicated in conducting its business consistent with the highest standards of business ethics and values. We have an obligation towards our stakeholders including shareholders, employees, customers, suppliers and communities to be honest, fair and forthright in our business activities.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. BOARD OF DIRECTORS

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors (The Board). The Board of the Company is composed of executive and non-executive independent Directors. As on 31st March 2018, the strength of the Board was five Directors comprising of two executive and three non-executive independent (including one woman director). Sixty percent of the Board of the Company is comprised of Independent Director.

The details of the Board of Directors as on 31st March 2018, are given below:

S. No	Name of the Directors/DIN	Designation	Category	Date of Appointment	No. of Board Meetings attended During the year 2017-18	Whether Attended last AGM held on 28.09.2017	No. of other Director -ships in other public companies	No. of Committee Positions held in other Public Companies	
								Membership	Chairmanship
1.	Kishore Gupta (DIN: 00014205)	Chairman & Managing Director	Promoter Executive	31/10/1987	5/5	Yes	Nil	Nil	Nil
2.	Rakesh Gupta (DIN:00014139)	Whole time Director & CFO	Promoter Executive	15/10/1987	5/5	Yes	Nil	Nil	Nil
3.	Shashendra Lahri (DIN:02704101)	Director	Independent Non-executive	27/03/2015	5/5	Yes	Nil	Nil	Nil
4.	Laxmendra Maheshwari (DIN:00278005)	Director	Independent Non-executive	27/03/2015	5/5	Yes	2	Nil	Nil
5.	Chhavi Kharb (DIN:01791358)	Director	Independent Non-executive	27/03/2015	5/5	Yes	Nil	Nil	Nil

Note: Original date of appointment of Laxmendra Maheshwari (DIN: 00278005) and Shashendra Lahri (DIN: 02704101) is 25.06.2009.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have been excluded. Only audit committee and stakeholder's relationship committee are considered for the purpose of reckoning committee positions.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director

2017-2018

During the Financial year 2017-18, The Board of the Company met five (5) times with maximum time gap of less than one hundred and twenty days between any two meetings. All the members of the Board were provided requisite information as required as per Schedule II Part A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 well before the Board Meeting. Dates of Board meetings were 29.05.2017, 11.08.2017 (which was adjourned dated 12.09.2017), 25.10.2017, 13.11.2017, 12.02.2018.

The maximum tenure of independent directors is in compliance with the Act and Rules made there under. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Act.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per regulation 46(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the terms and conditions of appointment of independent directors are placed on the Company's website (http://www.stardeltatransformers.com/star_delta_investor1.php)

During the year, one separate meeting of Independent Directors was conducted. All the Independent Directors were present in the meeting. The Independent Directors, inter-alia, reviewed the performance of non-independent directors and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company. The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

The Board has recommended the fees paid to the non Executive directors, including Independent directors. The sitting fees is within the limits prescribed under the Act and hence does not require shareholders approval.

The Board has framed and implemented the risk management plan.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company (http://www.stardeltatransformers.com/star_delta_disclosures.php)

Inter - se relationship of Directors

Name	Relation
Mr Kishore Gupta (DIN : 00014205)	Brother of Mr Rakesh Gupta (DIN : 00014139)
Mr. Rakesh Gupta (DIN : 00014139)	Brother of Mr. Kishore Gupta (DIN : 00014205)
Mr. Laxmendra Maheshwari (DIN : 00278005)	Not related to any director
Mr. Shashendra Lahri (DIN : 02704101)	Not related to any director
Mrs. Chhavi Kharb (DIN : 01791358)	Not related to any director

III. AUDIT COMMITTEE

The terms of reference of the Audit Committee include those specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013 which include:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

- Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism.
- Approval of appointment of CFO after assessing the qualifications, experience and background etc of the candidate
- To review the following information:
 - Management discussion and analysis of financial condition and results of operations;

2017-2018

- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses
- Appointment, removal and terms of remuneration of Chief Internal auditor.
- Statement of deviations

The Audit Committee of the Company consists of three Directors out of which two are Independent Directors. The Chairman of the Audit Committee is an Independent Director. All the members of Audit Committee are financially literate. The composition of the Audit Committee and the details of meetings attended by its members are given below

Name of Member	Category	Status	Number of meetings attended during the financial year 2017-18
Mrs. Chhavi Kharb (DIN:01791358)	Non-Executive Independent Director	Chairperson	4/4
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Member	4/4
Mr. Rakesh Gupta (DIN:00014139)	Executive Director/Promoter	Member	4/4

During the Financial year 2017-18, The Committee met four (4) times with maximum time gap of less than one hundred and twenty days between any two meetings. Dates of meetings were 29.05.2017, 11.08.2017 (which was adjourned dated 12.09.2017), 13.11.2017, 12.02.2018.

The necessary quorum was present for all the meetings

The previous Annual General Meeting ("AGM") of the Company was held on September 28, 2017 and was attended by Mrs. Chhavi Kharb, Chairman of the audit committee.

The Company Secretary acts as the Secretary to the Audit Committee

IV. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee include those specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013 which include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

The Committee consists of four directors out of which three are non executive Independent Directors. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of Member	Category	Status	Number of meetings attended during the financial year 2017-18
Mr. Laxmendra Maheshwari (DIN:00278005)	Non-Executive Independent Director	Chairperson	1/1
Mr. Shashendra Lahri (DIN : 02704101)	Non-Executive Independent Director	Member	1/1
Mrs. Chhavi Kharb (DIN:01791358)	Non-Executive Independent Director	Member	1/1
Mr. Kishore Gupta (DIN:00014205)	Executive Director/Promoter	Member	1/1

The previous Annual General Meeting ("AGM") of the Company was held on September 28, 2017 and was attended by Mr. Laxmendra Maheshwari (DIN: 00278005), Chairman of the Committee.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criterion for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include Attendance & presence in meetings, Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon, Complying with legislations and regulations in letter and spirit. The outcome of the evaluation exercise was discussed and deliberated at the respective meetings of the Board of Directors and Committees of the Board. The Board of Directors also expressed their satisfaction towards the process followed by the Company.

REMUNERATION OF DIRECTORS

Remuneration Policy:

Pursuant to Section 178 and other applicable provisions of the Companies Act 2013 and SEBI Listing Regulations, 2015, the Nomination & Remuneration Committee has laid down the Remuneration policy, which states as under:

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent.

Remuneration for the directors, key managerial personnel and other employees will be ascertained as per Section 196, 197, 198 and rules made thereunder and Schedule V of the Companies Act 2013 and listing agreement/regulation.

Further, The Remuneration shall take into account the Company's overall performance, contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Non Executive Directors are eligible for fixed amount of sitting fees plus out of pocket expenses for attending meeting of the Board of Directors. The Independent Directors are not eligible for Stock Options.

Criteria for determining qualifications, positive attributes & independence of Director

Pursuant to Section 178 and other applicable provisions of the Companies Act 2013 and Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 the Nomination & Remuneration Committee established the following:

Qualifications of Independent Director :

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

Positive attributes of Independent Directors :

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

Independence of Independent Directors :

An Independent director should meet the requirements of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 concerning independence of directors."

Details of remuneration paid to the Executive Director during the year ended 31st March, 2018 are given below:-

Executive Director	Salary* (Rs. in Lacs)	Pension	Perquisite	Bonus	Stock Options	Performance incentive	Commission	Total
Mr. Kishore Gupta (DIN: 00014205)	1742400	—	174240	—	—	—	—	1916640
Mr. Rakesh Gupta (DIN: 00014139)	1277760	—	—	—	—	—	—	1277760

Details of remuneration paid to the Non-Executive Director during the year ended 31st March, 2018 are given below:-

S. No.	NAME OF DIRECTORS	COMMISSION	CONVEYANCE	PAYMENT OF SITTING FEES FOR ATTENDING BOARD MEETINGS
1.	Mr. Laxmendra Maheshwari (DIN : 00278005)	—	—	6000
2.	Mr. Shashendra Lahri (DIN : 02704101)	—	—	6000
3.	Mrs. Chhavi Kharb (DIN : 01791358)	—	—	6000
	Total		—	18000

During the year under review, there were no other pecuniary transactions with any non-executive director of the Company.

Details of equity shares of the Company held by the directors as on March 31, 2018 are given below:

Name	Number of Equity Shares
Mr. Kishore Gupta (DIN: 00014205)	583500
Mr Rakesh Gupta (DIN: 00014139)	562100

None of the Non executive Independent Director holds any share/stock of the Company. The Company has not granted any stock options to any of its Non-Executive Independent Directors

V. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act 2013 and rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Committee's terms of reference include the following:

- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

The Committee consists of three directors out of which two are non executive Independent Directors. The composition of the Stakeholder Relationship Committee is given below:

Name of Member	Category	Status
Mr. Laxmendra Maheshwari (DIN : 00278005)	Non-Executive Independent Director	Chairman
Mrs. Chhavi Kharb (DIN : 01791358)	Non-Executive Independent Director	Member
Mr. Rakesh Gupta (DIN: 00014139)	Executive Director/Promoter	Member

The previous Annual General Meeting ("AGM") of the Company was held on September 28, 2017 and was attended by Mr Laxmendra Maheshwari (DIN:00278005), Chairman of the Committee.

During the year 2017-2018, the Company has not received any complaints/grievance. No complaints are pending at the end of the year.

Miss Shweta Agarwal was the Company Secretary and Compliance Officer of the Company till 25th October 2017 and Miss Ankita Upadhyay was appointed as the Company Secretary and Compliance officer w.e.f. 26th October 2017.

VI. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act. The broad terms of reference CSR committee is as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee consists of three directors out of which one is non executive Independent Directors. The composition of the Corporate Social Responsibility Committee is given below:

Name of Member	Category	Status
Mr. Kishore Gupta (DIN : 00014205)	Executive Director/Promoter	Chairperson
Mr. Rakesh Gupta (DIN : 0014139)	Executive Director/Promoter	Member
Mr. Laxmendra Maheshwari (DIN : 00278005)	Non-Executive Independent Director	Member

However, Company ceases to be a company covered under 135(1) of Companies Act 2013 for three consecutive financial years hence provisions of Corporate Social Responsibility does not apply to the company.

VII. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:-

YEAR	DATE & TIME	LOCATION	WHETHER SPECIAL RESOLUTION(S) WERE PASSED
2014-2015	30th September, 2015 at 11.00 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal 462023	<ul style="list-style-type: none"> ● To approve the remuneration of cost auditors. ● Ratification of payment of minimum remuneration to Mr. Kishore Gupta (DIN: 00014205) Managing Director and Rakesh Gupta (DIN: 00014139) Whole time Director for the period ending 31 March, 2015. ● Payment of Minimum resolution to Mr. Kishore Gupta (DIN: 00014205), Managing Director of the Company in the event of inadequacy or absence of profit. ● Payment of Minimum remuneration to Mr. Rakesh Gupta (DIN: 00014139), Whole time Director of the Company in the event of inadequacy or absence of profit.
2015-16	30th September, 2016 at 11.00 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal 462023	<ul style="list-style-type: none"> ● Service of documents. ● Insertion of new clause in the Articles of Association of the Company. ● Reappointment of Mr Rakesh Gupta (DIN: 00014139) as whole time director.
2016-2017	30th September, 2017 at 11.30 A.M.	At the Registered Office at 92-A Industrial area Govindpura Bhopal 462023	<ul style="list-style-type: none"> ● No Special resolutions were passed in the Annual General Meeting held for the Financial Year 2016-17.

VIII. POSTAL BALLOT HELD DURING THE FINANCIAL YEAR 2017-18

During the year under review, no resolutions were passed through the postal ballot

IX. EXTRA ORDINARY GENERAL MEETING

During the year under review, no Extra ordinary General Meeting was held.

X. DISCLOSURES**a) Related Party Transactions**

The Related party contracts / arrangements / transactions entered into by the Company do not fall under the ambit of Section 188(1) of the Companies Act 2013 and all related party transaction during the financial year were at arm's length and in ordinary course of business. In compliance with the provisions of the Act and Regulation 23(2) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Company has obtained omnibus approval from the Audit Committee and transactions were reported to the Audit Committee / Board at their quarterly meeting.

During the Fiscal 2017-18, there have been no materially significant related party transactions between the Company and Directors, management, subsidiaries or relatives, as defined under Section 188 of the Act and Regulations 23 the SEBI Listing regulations 2015.

There are no transactions that are required to be reported in Form AOC-2 and as such does not form part of the Report.

The Company has formulated the policy on materiality of Related party transactions as per Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, The same has been available on the company's website <http://www.stardeltatransformers.com/index.php>

Suitable disclosures have been made in the financial statements as prescribed in accounting standards.

b) Details of non-compliance by the company, penalties and strictures imposed on the Company by stock Exchange or SEBI or other authority on any matter related to capital markets during last three years:

There was no non compliance by the company on any matter related to capital market, SEBI or any other statutory authority and no penalties were imposed or no strictures were passed on the company by such authorities during the last 3 years ended 31.03.2018

c) Code of Conduct

Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. As required the said code has been posted on the website of the Company (<http://www.stardeltatransformers.com/index.php>.) All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2017. A declaration to this effect signed by the Managing Director forms part of the Corporate Governance report.

d) Whistle Blower Policy

As per Section 177(9) and (10) of the Companies Act, 2013, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The same has been posted on the website of the Company. No personnel of the Company was denied access to the Audit Committee

e) Reconciliation of Share Capital Audit Report

The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

f) Details of Companies with mandatory requirements and adoption of the non -mandatory requirements of this clause :

The Company has complied with all the mandatory requirements to its best. As regards the non - mandatory requirements they are complied with to the maximum extent.

(g) Compliance certificate

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(h) Disclosures on Website

The Company maintains a functional website and has disseminated all the required information as per the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(i) Compliances under Insider Trading Regulations 2015

Securities and Exchange Board of India has issued the Prohibition of Insider Trading Regulations, 2015 which came into force from 15th May 2015. The Company has made all the necessary compliances under the said Regulations.

XI. MEANS OF COMMUNICATION

Various correspondences as required by the Companies Act 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is published in numerous leading dailies such as Hitavada, Haribhoomi, Business standard. The Company has its own website, www.stardeltatransformers.com which contains all important public domain information. All financial and other vital information are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

XII. GENERAL SHAREHOLDERS' INFORMATION**A. GENERAL INFORMATION**

Registered Office	92-A Industrial Area Govindpura Bhopal 462023
Plant Location	92-A Industrial Area Govindpura Bhopal 462023
Annual General Meeting: Day/Date/Time/Venue:	Friday, 28th September, 2018 at 11.30 A.M. 92-A Industrial Area Govindpura Bhopal 462023
Financial Year	1st April 2017 to 31st March 2018
Book Closure	22nd day September, 2018 to 28th day September, 2018
Dividend Payment Date	Company has not declared dividend.
Listing on Stock Exchanges	1. BSE LIMITED Stock Code: 539255 ISIN Code: INE541K01014 Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Phones : 91-22-22721233/4, 91-22-66545695 Fax : 91-22-22721919 2. Ahmedabad Stock Exchange Of India Limited Exchange 3. Delhi Stock Exchange The Company has paid the Listing fee to the Bombay Stock exchange.

The trading is done only at the Bombay Stock exchange

B. Dematerialisation of shares

As on 31st March, 2018, 2980800 Equity Shares representing 99.35% of the Company's Equity Share Capital are in dematerialized form.

NSDL	2661496	88.71%
CDSL	319304	10.64%
	2980800	99.35%

C. Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd, C 101,
247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra, 400083
Phone: 022 - 49186270,
Email: rnt.helpdesk@linkintime.co.in

D. Market price data**Monthly High/Low prices per share during the Financial Year 2017-2018**

Months	BSE	
	High (Rs.)	Low (Rs.)
April 2017	128.00	104.00
May 2017	167.90	104.00
June 2017	146.70	125.65
July 2017	202.40	126.05
August, 2017	204.95	157.10
September, 2017	187.00	159.00
October, 2017	185.35	158.15
November, 2017,	180.00	135.00
December, 2017	172.95	140.00
January, 2018	160.00	138.40
February, 2018	169.00	127.00
March, 2018	155.70	116.25

E. Shareholding pattern as on 31st March, 2018

Category of Shareholders	No. of Shares held at the end of the year (31-03-2018)			
	Demat	Physical	Total	% of Total Shares
A. Promoters				
1) Indian				
a) Individual/ HUF	2189800	0	2189800	72.98
b) CentralGovt/State Govt	0	0	0	0
c) Banks / FI	0	0	0	0
d) Any Other	0	0	0	0
e) BodiesCorp.	60000	0	60000	1.99
Sub-total (A) (1):-	2249800	0	2249800	74.98
2) Foreign				
a) NRIs - Individuals	0	0	0	0
b) Other - Individuals	0	0	0	0
c) Bodies Corp.	0	0	0	0
d) Banks / FI	0	0	0	0
e) Any Other	0	0	0	0
Sub-total (A) (2):-	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2249800	0	2249800	74.98
B. Public Shareholding				
1. Institutions				
a) Mutual Funds	0	0	0	0
b) Banks / FI	0	0	0	0

2017-2018

c) Central Govt	2100	0	2100	0.07
d) State Govt(s)	0	0	0	0
e) Venture Capital Funds	0	0	0	0
f) Insurance Companies	0	0	0	0
g) FII's	0	0	0	0
h) Foreign Venture Capital	0	0	0	0
i) Others (specify)	0	0	0	0
Sub-total (B)(1)-	2100	0	2100	0
2. Non- Institutions				
a) Individuals				
Individual shareholders holding nominal share capital upto Rs. 1 lakh	284095	19400	303495	10.11
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	337753	0	337753	11.26
b) NBFCs registered with RBI	0	0	0	0
c) Employee trusts	0	0	0	0
d) Overseas depositories	0	0	0	0
e) Others(specify)				
NRI (Non-Repatriation)	1577	0	1577	0.052
NRI Individuals (Repatriation)	432	0	432	0.014
Hindu undivided family	14416	0	14416	0.48
Clearing member	2687	0	2687	0.089
Body corporate	87940	0	87940	2.93
Sub-total (B)(2)-	728900	19400	748300	24.94
Total Public Shareholding (B)=(B)(1)+ (B)(2)	731000	19400	750400	25.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0
Grand Total(A+B+C)	2980800	19400	3000200	100

F. Distribution of Shareholding as on 31st March, 2018

Shareholding of nominal shares	Number of shareholders	Percentage of total	Share amount	Percentage of total share amount
Upto 5000	655	79.01	571440	1.90
5001-10000	65	7.84	568380	1.89
10001-20000	46	5.54	670540	2.23
20001-30000	20	2.41	504870	1.68
30001-40000	4	0.48	142900	0.47
40001-50000	8	0.96	358740	1.19
50001-100000	10	1.20	662010	2.20
100001 and above	21	2.53	26523120	88.40
Total	829	100	30002000	100

G. Outstanding GDRs/ADRs/Warrants/or any Convertible instruments, Conversion date and likely impact on equity

The Company has not issued any ADR/GDR/Warrant or any other convertible instruments.

H. Share Transfer System

Share transfer in physical form can be lodged with Link Intime India Pvt. Ltd , Registrar & Share transfer agent. The transfers are generally processed within 15 days from the date of receipt if the documents are complete in all respect.

I. Shares in suspense account

There are no shares in suspense account

J. Shares in unclaimed suspense account

There are no shares in unclaimed suspense account

K. Shares Transferred To IEPF Suspense Account

Pursuant to applicable provisions of the Companies Act 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority, Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs.9300 along with the interest of Rs.3324/- for the year 2009-2010. Further 2100 corresponding shares were transferred as per the requirement of IEPF rules

Details of the same can be accessed from the website of the company. http://www.stardeltatransformers.com/star_delta_iepf.php

L. Compliance Officer

Miss Ankita Upadhyay is the Company Secretary and Compliance officer of the Company.

L. Address of Correspondance

Star Delta Transformers Ltd.

92-A Industrial Area Govindpura,

Bhopal 462023

**BY ORDER OF THE BOARD
For Star Delta Transformers Limited**

Sd/-

(Mr. KISHORE GUPTA)

(DIN : 00014205)

Managing Director

Place : Bhopal

Date : 10th August, 2018

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I confirm that the Board members and the senior management personnel have affirmed compliance with the code of conduct for the Financial year ended 31st March 2018.

Place : Bhopal

Date : 30th May, 2018

Sd/-

(Mr. KISHORE GUPTA)

(DIN : 00014205)

MANAGING DIRECTOR

COMPLIANCE CERTIFICATE

To,

The Board of Directors
Star Delta Transformers Limited

We certify that:

- a) We have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2018 and to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - II. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that:
 - I) Significant change in internal control over financial reporting during the year;
 - II) Significant changes in accounting policies during the year
 - III) Instances of significant fraud of which we have become aware and the involvement therein if any of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd-

(RAKESH GUPTA)

(DIN : 00014139)

CHIEF FINANCIAL OFFICER & DIRECTOR

Sd-

(KISHORE GUPTA)

(DIN : 00014205)

MANAGING DIRECTOR

Place : Bhopal

Date : 30th May, 2018

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF STAR DELTA TRANSFORMERS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of STAR DELTA TRANSFORMERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31/03/2018, the Statement of Profit and Loss, the Cash Flow Statement and the statement of Change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in

conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Company had prepared separate sets of statutory financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) on which previous auditor's issued reports to the shareholders of the Company dated May 29, 2017 and May 28, 2016 respectively. These financial statements have been adjusted for differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "**Annexure - A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The financial statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31/03/2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure - B**" to this report;
 - (g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company, as detailed in Note No. 30 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The Company has transferred amounts which were required to be transferred to the Investor Education and Protection Fund during the year.

For S. L. KHABYA & CO.
Firm Reg. No. 000004C
Chartered Accountants

Place : Bhopal
Date : 30th May, 2018

Sd/-
CA. SUMIT KHABYA
Partner
Membership No. 0414887

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in independent auditors report to the members of the Company on the financial statements for the year ended March 31, 2018. We report that:

- (i) (a) On the basis of available information the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us all the assets have been physically verified by the management as per a program of verification in a periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the record examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and building which are free hold are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) As explained to us the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, Secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, wherever applicable the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable. The Company has not granted any security in term of Section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the company has not accepted any deposits from the public during the year and accordingly paragraph 5 of the order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under sub section (1) of Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues;
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authority.
 - (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - (c) According to the records of the company examined by us and information and explanations given to us, the following statutory dues were outstanding on account of a dispute as on 31st March, 2018:-

2017-2018

Name of the Statute	Nature of demand	Amount of demand unpaid as on 31/03/2018 (Rs.) (In Lakhs.)	Period to which the amount relates (Assessment Yr)	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax and/or interest	1.289	2013-14	Appellate Authorities
The Income Tax Act, 1961	Income Tax and/or interest	0.85	2015-16	Appellate Authorities
Service Tax Act	Service tax	11.84	April-2009 to December- 2011	CESTAT, New Delhi
Central Sales Tax Act	CST	1.51	2015-16	Comm. Commercial Tax, Bhopal
Central Sales Tax Act	CST	4.22	2014-15	Comm. Commercial Tax, Bhopal
Central Sales Tax Act	CST	1.83	2012-13	Comm. Commercial Tax, Bhopal

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, government and banks.
- (ix) The Company did not raise any moneys by way of initial public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees have been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals managed by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors, associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **S.L. KHABYA & CO.**
Chartered Accountants
Firm Reg. No. 000004C

Sd/-

CA. SUMIT KHABYA

Partner.

Membership No. 0414887

Place : Bhopal

Date : 30th May, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Annexure to the Independent auditor's Report of even date on the financial Statements of Star Delta Transformers Limited)

Report on the Internal Financial Controls Over Financial Reporting under clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("The Act")

We have audited the internal financial controls over financial reporting of **STAR DELTA TRANSFORMERS LIMITED** ("the Company"), as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Financial Controls

The Company's management is responsible establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conducts of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on Audit of internal financial controls over financial reporting (the "Guidance note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial reporting controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection

of unauthorized acquisition, use, or deposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India.

Place : Bhopal

Date : 30th May, 2018

For **S.L. KHABYA & CO.**

Chartered Accountants

Firm Reg. No. 000004C

Sd/-

CA. SUMIT KHABYA

Partner.

Membership No. 0414887

STAR DELTA TRANSFORMERS LIMITED**92-A, Industrial Area, Govindpura, Bhopal****BALANCE SHEET AS AT 31st March, 2018**

Particulars	NOTES	AS AT 31st MARCH, 2018	AS AT 31st MARCH, 2017	AS AT 31st MARCH, 2016
ASSETS		Amount in Rs.		
Non-Current Assests				
Property, Plant and Equipment	2	75467514.84	81257681.84	88978019.84
Capital Work in Progress		0.00	0.00	0.00
Other Intangible Assets		0.00	0.00	0.00
Intangible assets under development		0.00	0.00	0.00
Investment in subsidiaries		0.00	0.00	0.00
Financial Assets				
Investment		0.00	0.00	0.00
Other financial assets	3	1732000.00	1732000.00	1732000.00
Income tax assets (net)	4	352332.50	0.00	0.00
Deferred tax assets (net)	11	0.00	0.00	0.00
Other non-current assets		0.00	0.00	0.00
Total non-current Assets		77551847.34	82989681.84	90710019.84
Current Assets				
Inventories	5	244461948.00	71205843.00	102451015.00
Financial assets				
Trade Receivables	6	208054648.20	241686147.00	216677680.34
Cash and cash equivalents	7	4553407.12	34990889.29	6957594.75
Bank balances other than Cash and cash equivalents above	8	32364657.30	34748164.00	28825596.00
Loans	9	29868148.75	2500000.00	4247602.00
Other Financial assets		0.00	0.00	0.00
Other Current assets	10	20376476.15	23676192.51	22516265.00
Total Current Assets		539679285.52	408807235.80	381675753.09
TOTAL ASSETS		617231132.86	491796917.64	472385772.93
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	12	30002000.00	30002000.00	30002000.00
Other Equity	13	384208117.78	362433882.62	330273707.04
Total Equity		414210117.78	392435882.62	360275707.04
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	14	13440573.18	18791125.27	24018944.27
Provisions		0.00	0.00	0.00
Deferred Tax Liabilities (net)	11	14000000.00	14700000.00	15600000.00
Total Non current Liabilities		27440573.18	33491125.27	39618944.27

2017-2018

Current Liabilities							
Financial Liabilities							
Borrowings	15	44365186.47		20210545.85		29243456.03	
Trade Payables	16	108196421.00		14178490.00		13450723.00	
Other Financial Liabilities	17	23018834.43		25226469.50		26622029.20	
Provisions		0.00		0.00		0.00	
Income tax liabilities (net)	4	0.00		6254404.40		3174913.39	
Other Current Liabilities		0.00		0.00		0.00	
Total Current Liabilities			175580441.90		65869909.75		72491121.62
Total Liabilities			203021015.08		99361035.02		112110065.089
Total Equity and Liabilities			617231132.86		491796917.64		472385772.93
		0.00	0.00		0.00		

The above balance sheet should be read in conjunction with the accompanying notes.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**As per our report of even date
For S.L. KHABYA & CO.**

Sd/-
KISHORE GUPTA
MANAGING DIRECTOR
DIN-00014205

Sd/-
RAKESH GUPTA
CFO & DIRECTOR
DIN-00014139

Sd/-
ANKITA UPADHYAY
COMPANY SECRETARY
A50307

CHARTERED ACCOUNTANTS
Firm Reg. No. 000004C
CA SUMIT KHABYA
Partner
Membersip No. 0414887

Place : Bhopal

Date : 30th May, 2018

STATEMENT OF CHANGES IN EQUITY
Name of the Company - : STAR DELTA TRANSFORMERS LIMITED, BHOPAL
Statement of Changes in for the period ended 31.03.2018

A. Equity Share Capital															
Particulars	Balance as on 31.03.2017						Balance as on 31.03.2018								
	Share application money pending allotment	Equity component of compound financial instrument	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	Other Reserve (General Reserve)	Retained Earning	Debt Instrument through other comprehensive Income	Equity Instrument through other comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other items Other comprehensive Income (Specify nature)	Money received against share capital	Total
Balance at the beginning of the reporting period	0.00	0.00	1031000.00	5712000.00	200000.00	290000000.00	65490882.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	362433882.62
Changes in equity share capital during the year			0.00	0.00	0.00	60000000.00	21774235.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	81774235.16
Balance at the end of the reporting period	0.00	0.00	1031000.00	5712000.00	200000.00	290000000.00	87265117.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	384208117.78
B. Other Equity															
Balance at the beginning of the reporting period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes in equity share capital during the year			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance at the end of the reporting period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

STAR DELTA TRANSFORMERS LIMITED

92-A, Industrial Area, Govindpura, Bhopal

STATEMENT OF PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	NOTES	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
INCOME			
Amount in Rs.			
Revenue From Operations	18	662247626.44	668290445.00
Other Income	19	8232551.80	16022202.40
Total Income		670480178.24	684312647.40
EXPENDITURE			
Cost Of Materials Consumed	20	522474661.55	451454919.00
Changes in inventories of work-in-progress and finished goods & stock-in-trade	21	(94851067.00)	14529310.00
Excise Duty	22	64414856.65	36236030.00
Employee Benefits Expenses	23	22062462.18	16993616.00
Finance Costs	24	10922147.76	9477454.91
Depreciation And Amortisations Expenses	25	7693153.33	7886658.00
Other Expenses	26	105289728.61	97895227.30
Total Expenses		638005943.08	634473215.21
Profit Before Exceptional Items and Tax		32474235.16	49839432.19
Exceptional Item		0.00	0.00
Profit Before Tax		32474235.16	49839432.19
Income Tax Expenses			
Current Tax	27	11400000.00	18579256.61
Deferred Tax	27	(700000.00)	(900000.00)
Total tax expense		10700000.00	17679256.61
Profit / (Loss) For The Year		21774235.16	32160175.58
Earnings Per Equity Shares for profit attributable to equity shareholders of Star Delta Transformers Limited	28		
Basic (in ₹)		7.26	10.72
Diluted (in ₹)		7.26	10.72

The above balance sheet should be read in conjunction with the accompanying notes.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
KISHORE GUPTA
MANAGING DIRECTOR
DIN-00014205
Place : Bhopal
Date : 30th May, 2018

Sd/-
RAKESH GUPTA
CFO & DIRECTOR
DIN-00014139

Sd/-
ANKITA UPADHYAY
COMPANY SECRETARY
A50307

As per out Report even date
Sd/-
S.L. KHABYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 000004C
CA SUMIT KHABYA
Partner
Membersip No. 0414887

STAR DELTA TRANSFORMERS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	NOTES	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
CASH FLOW FROM OPERATING ACTIVITIES:		Amount in Rs.	
Profit before tax		32474235.16	49839432.19
Adjustments for			
Depreciation and amortisation Expenses	25	7693153.33	7886658.00
Interest Income	19	(7205483.40)	(7289981.43)
Interest Expenses	24	10922147.76	9477454.91
Unrealised foreign exchange gain/loss	26	0.00	0.00
Loss on sale of property, plant and equipment	26	0.00	0.00
Bad Debts Written off	26	0.00	0.00
Property, plant and equipment written off		0.00	0.00
Employee stock options expenses		0.00	0.00
Remeasurements of post-employment benefit obligations		0.00	0.00
Change in the fair value of cash flow hedge		0.00	0.00
Sundry balances written back	19	0.00	0.00
Operating Profit before Working Capital Changes		43884052.85	59913563.67
Changes in operating assets and liabilities			
(Increase) / decrease in Trade receivables	6	33631498.80	(25008466.66)
(Increase) / decrease in loans	9	(27368148.75)	1747602.00
(Increase) / decrease in other financial assets-current		0.00	0.00
(Increase) / decrease in other current assets	10	3299716.36	(1159927.51)
(Increase) / decrease in inventories	3	(173256105.00)	31245172.00
(Increase) / decrease in other financial assets-non-current		0.00	0.00
(Increase) / decrease in other non-current assets	3	0.00	0.00
Increase / (decrease) in trade payables	16	94017931.00	727767.00
Increase / (decrease) in other financial liabilities	17	(2207635.07)	(1395559.70)
Increase / (decrease) in other current liabilities		0.00	0.00
Increase / (decrease) in provisions		0.00	0.00
Increase / (decrease) in other non-current liabilities	0.00	0.00	0.00
		(71882742.66)	6156587.13
Cash Generated from Operations		(27998689.81)	66070150.80
Income Tax paid	4	(18006736.90)	(15499765.60)
NET CASH INFLOW / (OUTFLOW) FROM		(46005426.71)	50570385.20

OPERATING ACTIVITIES [A]**CASH FLOW FROM INVESTING ACTIVITIES**

Payments for Property ,Plant and Equipments	2	(1902986.33)	(166320.00)
Proceeds from sale of Property, Plant and Equipment		0.00	0.00
Proceeds from sale of Investments		0.00	0.00
Deposits redeemed	8	2383506.70	(5922568.00)
Interest Received	19	7205483.40	7289981.43

NET CASH INFLOW / (OUTFLOW) FROM**INVESTING ACTIVITIES [B]****CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from borrowings	14,15	24154640.62	(9032910.18)
Repayment of Borrowings	14,15	(5350552.09)	(5227819.00)
Proceeds from issue of Shares	12	0.00	0.00
Interest paid	24	(10922147.76)	(9477454.91)
Dividends Paid to company's shareholders		0.00	0.00

NET CASH INFLOW / (OUTFLOW) FROM**FINANCING ACTIVITIES [C]**

Net Increase/(decrease) in cash and cash equivalents		(30437482.17)	28033294.54
Cash and cash equivalents at the beginning of the year	7	34990889.29	6957594.75
Cash and cash equivalents at the end of the year	7	4553407.12	34990889.29

The above statement of cash flows should be read in conjunction with the accompanying notes.

0.00 0.00

For STAR DELTA TRANSFORMERS LIMITED

As per our Report even date

Sd/-
KISHORE GUPTA
MANAGING DIRECTOR
DIN-00014205
Place : Bhopal
Date : 30th May, 2018

Sd/-
RAKESH GUPTA
CFO & DIRECTOR
DIN-00014139

Sd/-
ANKITA UPADHYAY
COMPANY SECRETARY
A50307

Sd/-
S.L. KHABYA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No. 000004C
CA SUMIT KHABYA
Partner
Membersip No. 0414887

STAR DELTA TRANSFORMERS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

Note 1: Significant accounting policies

General Information

Star Delta Transformers Limited ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at "92-A, Sector - A, Industrial Area, Govindpura, Bhopal - 462023". The Company was incorporated under the Companies Act, 1956 on February 17, 1977. The Company is a manufacturer of distribution and power transformers.

Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind As) notified under Section 133 of the Companies Act, 2013 (the Act) read with [companies (Indian Accounting Standards) Rules, 2015] and Companies (Indian Accounting Standards) Amendment Rule 2016 and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 32 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current and non current as per the Company's normal operating cycle ascertained as 12 months for the purpose by the Company.

(ii) Historical cost convention

The financial statements have been prepared on unless otherwise indicated.

(b) Key estimates and assumptions

In preparing these financial statements in accordance with Ind AS, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts in the balance sheet and statement of profit and loss, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

(i) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(ii) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based based on the assessment of the probability of an outflow of resources, and on past experience and circumstances know at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

(c) Foreign currency translation

Function and presentation currency

Item included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (₹) is the functional and presentation currency of the company.

Transaction and balances

Foreign currency transaction are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regards as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statements of profit and loss on a net basis within loss on exchange rates & forward Exchange Contracts. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable after deduction of any trade discounts and net of returns, rebates, and any taxes or duties collected on behalf of the government which are lavied on sales such as Sales Tax, VAT, Goods and Service Tax etc.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when significant risks and rewards of ownership in the goods are transferred to the buyer.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in propotion to the stage of complition of the transaction at the reporting date and the amount of revenue can be measured reliably.

(e) Income tax

The income tax expenses or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- those measured at amortised cost.

(ii) Initial recognition & measurement

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debts securities, deposits, and bank balance.
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on life time ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

(g) Financial liabilities**(i) Classification**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered in to and the definitions of a financial liability and an equity instrument. The Company classified all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or cost that are integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(h) Impairment of assets

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") of the company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Chief Operating Officer of the Company. The Company has identified only one segment i.e. Manufacturing of distribution and power transformers as reporting segment based on the information reviewed by CODM.

(j) Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average price. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(l) Intangible assets

Company has no intangible assets.

(i) Research and development

Revenue expenditure on research & development is charged to the statement of Profit and Loss of the year in which it is incurred.

(m) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(n) Provisions

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

(o) Employee benefits

(i) Short term obligations

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to accrue.

(iii) Post-employment obligations:-

The company operated the followings post-employments schemes:

- (a) Defined benefits plans such as gratuity, and
- (b) Defined contribution plan such as provident fund.

Gratuity obligations

The following post - employment benefit plans are covered under the defined benefit plant:

Gratuity :

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company has a scheme with Life Insurance Corporation of India for payment of gratuity liability. The annual premium paid/payable as per the actuarial calculation made by the agency is charged as an expense to the statement of profit and loss. The Company has no further defined obligation beyond the contribution.

Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for a defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(p) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at the banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Earning per share**(i) Basic earning per share**

Basic earning per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earning per share

Diluted earning per share adjusted the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of schedule III, unless otherwise stated.

Place : Bhopal

Date :30th May, 2018

Sd/-

KISHORE GUPTA
MANAGING DIRECTOR
DIN-00014205

Sd/-

RAKESH GUPTA
EXECUTIVE DIRECTOR
DIN-00014139

Sd/-

ANKITA UPADHYAY
COMPANY SECRETARY
A50307

Note 2 : Property, Plant & Equipments and Capital Work-in progress

Particulars	Leasehold Land	Land (Solar Plant)	Building & Shed	Building & Shed Unit II	Plant & Machinery	Plant & Machinery Unit II	Plant & Machinery Solar Power	Electrical Installation	Electrical Installation Unit II	Office Equipment	Furniture & Fixtures	Vehicle	Computer	Total Property, Plant & Equipment	Capital Work-in Progress
Deemed cost (Gross carrying value)															
Balance as at April 1, 2016	34378.84	1062500.00	13701226.41	27864412.00	25489854.25	8381060.00	44061800.00	2598846.86	587674.00	1264458.05	2262319.49	13188910.00	1168379.43	141665819.33	0.00
Additions	0.00	0.00	0.00	0.00	81580.00	0.00	0.00	0.00	0.00	8990.00	0.00	75750.00	0.00	166320.00	0.00
Disposal/Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at March 31, 2017	34378.84	1062500.00	13701226.41	27864412.00	25571434.25	8381060.00	44061800.00	2598846.86	587674.00	1273448.05	2262319.49	13264660.00	1168379.43	141832139.33	0.00
Balance as at April 1, 2017	34378.84	1062500.00	13701226.41	27864412.00	25571434.25	8381060.00	44061800.00	2598846.86	587674.00	1273448.05	2262319.49	13264660.00	1168379.43	141832139.33	0.00
Additions	0.00	0.00	0.00	0.00	1269110.00	0.00	0.00	0.00	0.00	165318.82	59726.00	58298.00	350533.51	1902986.33	0.00
Disposal/Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at March 31, 2018	34378.84	1062500.00	13701226.41	27864412.00	26840544.25	8381060.00	44061800.00	2598846.86	587674.00	1438766.87	2322045.49	13322958.00	1518912.94	143735125.66	0.00
Accumulated Depreciation	0.00	0.00	5390748.41	5302119.00	15030398.25	2742759.00	12291057.00	1876127.86	198864.00	1100943.05	1265653.49	6380576.00	1108553.43	52687799.49	0.00
Depreciation for the year	0.00	0.00	382260.00	903554.00	1321611.00	579002.00	2687969.00	208618.00	67927.00	45713.00	165005.00	1480236.00	44763.00	7886658.00	0.00
Disposal/Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at March 31, 2017	0.00	0.00	5773008.41	6205673.00	16352009.25	3321761.00	14979026.00	2084745.86	266791.00	1146656.05	1430658.49	7860812.00	1153316.43	60574457.49	0.00
Balance as at April 1, 2017	0.00	0.00	5773008.41	6205673.00	16352009.25	3321761.00	14979026.00	2084745.86	266791.00	1146656.05	1430658.49	7860812.00	1153316.43	60574457.49	0.00
Depreciation for the year	0.00	0.00	381680.00	903554.00	1338231.00	579002.00	2687969.00	138729.00	67927.00	50949.82	158546.00	1301963.00	84602.51	7693153.33	0.00
Disposal/Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at March 31, 2018	0.00	0.00	6154688.41	7109227.00	17890240.25	3900763.00	17666995.00	2223474.86	334718.00	1197605.87	1589204.49	9162775.00	1237918.94	68267610.82	0.00
Carrying amount as at April 1, 2016	34378.84	1062500.00	13701226.41	27864412.00	25489854.25	8381060.00	44061800.00	2598846.86	587674.00	1264458.05	2262319.49	13188910.00	1168379.43	141665819.33	0.00
Carrying amount as at March 31, 2017	34378.84	1062500.00	7928218.00	21658739.00	9219425.00	5059299.00	29082774.00	514101.00	320883.00	126792.00	831661.00	5403848.00	15063.00	81257681.84	0.00
Carrying amount as at March 31, 2018	34378.84	1062500.00	7546538.00	20755185.00	9150304.00	4480297.00	26394805.00	375372.00	252956.00	241161.00	732841.00	4160183.00	280994.00	75467514.84	0.00

Note 3 : Other financial assets (non-current)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Security deposit for utilities & premises	1732000.00	1732000.00	1732000.00
Total	1732000.00	1732000.00	1732000.00

Note 4 : Income tax assets / (liabilities) (net)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance			
<i>Less:</i> Current tax payable for the year	11400000.00	17500000.00	15800000.00
<i>Add:</i> Taxes Paid	11752332.50	11245595.60	12625086.61
<i>Less:</i> Earlier year tax adjustment			
Closing balance	(352332.50)	6254404.40	3174913.39

Note 5: Inventories

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Raw Material	93601816.00	15196778.00	31912640.00
Work-in-progress	135717887.00	49586560.00	38812550.00
Finished goods	4816205.00	964705.00	4016205.00
Scrap Material	3979040.00	2924800.00	18844120.00
Solar Power stock - REC	6347000.00	2533000.00	8865500.00
Total	244461948.00	71205843.00	102451015.00

Note 6: Trade Receivables

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Secured, considered goods	0.00	0.00	0.00
Unsecured, considered goods			
-Other Parties	208054648.20	241686147.00	216677680.34
Doubtful	0.00	0.00	0.00
Total	208054648.20	241686147.00	216677680.34

Note 7: Cash & Cash Equivalents

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Balance With Banks			
-in Current accounts	451679.12	579786.29	907403.75
-in Deposit accounts	33794.00	32833794.00	0.00
Cash on Hand			
-Cash in Hand	3637281.00	1693840.00	2475034.00
-Cash in imprest	430653.00	-130992.00	676673.00
Cheques in hand	0.00	14461.00	2898484.00
Total	4553407.12	34990889.29	6957594.75

Note 8: Bank balance other than cash and cash equivalents above

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
- Unpaid dividend account	132567.00	147492.00	164210.00
- Balance held as margin money or security against borrowing, guarantees and other commitments#	30298089.80	34166022.50	27737211.00
- Interest accrued on deposit	1908666.00	408666.00	896929.00
- SBI SDT Employees Gratuity account	25334.50	25983.50	27246.00
Total	32364657.30	34748164.00	28825596.00

#Fixed Deposits with banks held as Margin Money amounting to Rs. 30298089.80, (2016-17 Rs.34166022.50 & 2015-16 Rs.27737211) with maturity more than 12 months.

Note 9 : Loans (current)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Unsecured, Considered Good			
-Loan to Other (Chirayu Charitable Foundation, Bpl.)	29868148.75	2500000.00	4247602.00
Total	29868148.75	2500000.00	4247602.00

Note 10: Other current assets

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Advance to suppliers	10311692.50	10035359.50	10417829.50
Security Deposit	1362885.00	1765085.00	1316132.00
Loans and Advances to Employees	442027.00	596223.00	336493.00
Balance with government authorities			
-Considered good	7700428.60	8826668.00	5634555.00
-Considered doubtful	0.00	0.00	0.00
- Less: Allowance for doubtful advances	0.00	0.00	0.00
	7700428.60	8826668.00	5634555.00
Prepaid expenses	559443.05	2452857.01	4811255.50
Total	20376476.15	23676192.51	22516265.00

Note 11 : Deferred Tax Asset / (Liabilities)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
The balance comprises temporary differences attributable to :			
Property, plant and equipment	14000000.00	14700000.00	15600000.00
Mat credit entitlement	0.00	0.00	0.00
Net deferred tax assets / (Liabilities)	14000000.00	14700000.00	15600000.00

Movement in deferred tax balances

Particulars	Balance as at April 1, 2017	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability	Balance as at March 31, 2018
Deferred tax assets							
Property, plant and equipment	14700000.00	(700000.00)	0.00	14000000.00	0.00	14000000.00	14000000.00
Mat credit entitlement							
Tax assets (Liabilities)	14700000.00	(700000.00)	0.00	14000000.00	0.00	14000000.00	14000000.00

Particulars	Balance as at April 1, 2016	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability	Balance as at March 31, 2017
Deferred tax assets							
Property, plant and equipment	15600000.00	(900000.00)	0.00	14700000.00	0.00	14700000.00	14700000.00
Mat credit entitlement							
Tax assets (Liabilities)	15600000.00	(900000.00)	0.00	14700000.00	0.00	14700000.00	14700000.00

Note 12: Equity Share Capital**a) Authorised:**

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
3125000 (March 31, 2017; 3125000, April 1, 2017; 3125000) Equity share of the per value of Rs. 10 each.	31250000.00	31250000.00	31250000.00
50000 (March 31, 2017; 5000, April 1, 2017; 50000) Preference share of the value of Rs. 10 each.	500000.00	500000.00	500000.00
Total	31750000.00	31750000.00	31750000.00

b) Issued and Subscribed:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
3000200 (March 31, 2017; 3000200, April 1, 2017; 3000200) Equity share fully paid up.	30002000.00	30002000.00	30002000.00
Total	30002000.00	30002000.00	30002000.00

c) Reconciliation of number of equity shares outstanding at the beginning and the end of the year :

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Outstanding at the beginning of the year	30002000.00	30002000.00	30002000.00
Issued during the year	0.00	0.00	0.00
Outstanding at the end of the year	30002000.00	30002000.00	30002000.00

d) Right, preference and restrictions attached to equity shares :

The Company has issued only one class of equity shares having a par value of Rs.10 each. Each equity shareholder is entitled to one vote per equity share.

e) Shareholders holding more than 5% shares in the Company is set out below:

Particulars	March 31, 2018		March 31, 2017		March 31, 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Mr. Kishore Gupta	583500	19.45	583500	19.45	583500	19.45
Mr. Rakesh Gupta	562100	18.73	562100	18.73	562100	18.73
Mrs. Archana Gupta	268300	8.94	268300	8.94	268300	8.94
Mrs. Manju Gupta	241500	8.05	241500	8.05	241500	8.05
Mr. Mayank Gupta	428300	14.28	428300	14.28	428300	14.28

Note 13: Other equity

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
a) Reserve and surplus			
Security premium reserve	5712000.00	5712000.00	5712000.00
Retained earning	27265117.78	65490882.62	33330707.04
Capital reserve	1031000.00	1031000.00	1031000.00
General reserve	350000000.00	290000000.00	290000000.00
Capital redemption reserve	200000.00	200000.00	200000.00
Total	384208117.78	362433882.62	330273707.04

i) Security premium reserve

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance	5712000.00	5712000.00	5712000.00
Transfer during the year			
Closing balance	5712000.00	5712000.00	5712000.00

ii) Retained earnings

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance	65490882.62	33330707.04	6685447.94
Net profit for the year	21774235.16	32160175.58	31645259.10
Total	87265117.78	65490882.62	38330707.04
Less: Appropriation:			
Transferred to General reserve	60000000.00	0.00	5000000.00
Closing balance	27265117.78	65490882.62	33330707.04

iii) Capital reserve

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance	1031000.00	1031000.00	1031000.00
Transfer during the year	0.00	0.00	0.00
Closing balance	1031000.00	1031000.00	1031000.00

iv) General reserve

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance	290000000.00	290000000.00	285000000.00
Transfer during the year	60000000.00	0.00	5000000.00
Closing balance	350000000.00	290000000.00	290000000.00

v) Capital redemption reserve

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Opening balance	200000.00	200000.00	200000.00
Transfer during the year	0.00	0.00	0.00
Closing balance	200000.00	200000.00	200000.00

Nature and purpose of reserves:**i) Security premium reserve**

Security premium reserve is used to record the premium on issue of share. The reserve is utilised in accordance with the provisions of the Act.

ii) Capital redemption reserve

Capital redemption reserve was created for redemption of preference shares.

Note 14 : Borrowings (Non-Current)

Particulars	Non-Current			Current maturities of long term debts		
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2018	March 31, 2017	March 31, 2016
Secured						
Vehicle Loan From Bank						
SBI Car Loan A/c (Against hypothecation of car)	2743004.00	3303775.00	4215127.00	926136.00	926136.00	508226.00
Term Loan From Bank						
HDFC Bank Term Loan A/c	10697569.18	15487350.27	19803817.27	4789781.43	4316467.00	3889923.73
	13440573.18	18791125.27	24018944.27	5715917.43	5242603.00	4398149.73
Unsecured	—	—	—	—	—	—
TOTAL	13440573.18	18791125.27	24018944.27	5715917.43	5242603.00	4398149.73

14.1 Term Loan from HDFC Bank Ltd is Secured by First charge on the entire fixed assets of the Company including Land and Buildings situated at S.No.13/2/2 Village Gagorni, District Rajgarh.

14.2 Car Loan from State Bank of India is secured by hypothecation of the Car purchased.

Note 15 : Borrowing (Current)

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	March 31, 2018	March 31, 2017	March 31, 2016
Secured						
From Banks						
- working Capital Loans						
Cash Credit						

2017-2018

HDFC Bank CC A/c Unsecured From Banks - working Capital Loans From others	Payment on demand	Payable on demand	ROI 9.60% (MCLR + 1.50%, MCLR = 8.10%)	44365186.47	20210545.85	29243456.03
				0.00	0.00	0.00
TOTAL				44365186.47	20210545.85	29243456.03

Details of security:

Working Capital loan is secured by first charge over entire current assets of the Company and by first mortgage/charge on immovable properties situated at 92-A, Industrial Area, Govindpura, Bhopal. All credit facilities from HDFC Bank Ltd. India including Term Loan as per Note 14 above is collaterally secured by Equitable Mortgage of house property at E-1/207 owned by Shri Kishore Gupta Director of the Company also also by their personal guarantee.

Details of guarantees given by directors:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Loans repayable on demand From Banks	44365186.47	20210545.85	29243456.03
TOTAL	44365186.47	20210545.85	29243456.03

The company does not have any default as on the Balance Sheet date in repayment of any loan or interest.

Note 16 : Trade Payables

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Micro Small And Medium Enterprises	102512245.00	9250190.00	8932690.00
Others	5684176.00	4928300.00	4518033.00
Trade payables to related parties			
TOTAL	108196421.00	14178490.00	13450723.00

There is no outstanding amount overdue as on March 31, 2018 to Micro, small and medium enterprises on account of principal or interest (**March 31, 2017: Nil, April 1, 2016 : Nil**)

*The details of classification of entities into Micro, Small and Medium as identified by the management on the basis of available information. This has been relied up on by the auditors.

Note 17 : Other financial liabilities (Current)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Current maturities of non-current borrowings (refer note 13)	5715917.43	5242603.00	4398149.73
Interest accrued	0.00	0.00	0.00
Capital creditors	0.00	0.00	0.00
Book overdraft	0.00	0.00	0.00
Unclaim dividend	134850.00	145940.50	155878.50
Others payables*	15053237.00	17723096.00	19953170.97
Advance Received against Court Order	2114830.00	2114830.00	2114830.00
TOTAL	23018834.43	25226469.50	26622029.20

*Includes Statutory dues, Security deposits & Advance from customers.

Note 18 : Revenue from operations

Particulars	March 31, 2018	March 31, 2017
Sale of products (including excise duty*)	447429741.19	466531383.00
Sales of Solar Power	3435800.00	5982893.00
Other operating revenue		
- Income from services rendered - Projects	208305391.25	190657855.00
- Other (Including scrap sales)	3076694.00	5118314.00
TOTAL	662247626.44	668290445.00

* Up to 30 th June, 2017

Note 19 : Other Income

Particulars	March 31, 2018	March 31, 2017
Income received on:		
Bank Deposit	2735166.65	3589973.60
Other Deposit	4470316.75	3700007.83
Late Delivery Damages	0.00	8715883.00
Sundry Balance written back	1027068.40	16337.97
TOTAL	8232551.80	16022202.40

Note 20 : Cost of Material consumed

Particulars	March 31, 2018	March 31, 2017
Raw materials as at the beginning of the year	15196778.00	31912640.00
Add : Purchase	666005705.20	483470492.00
Sub Total	681202483.20	515383132.00
Less : Cenvat & VAT Consumes	65126005.65	48731435.00
Less : Raw materials as at the end of the year	93601816.00	15196778.00
TOTAL	522474661.55	451454919.00

Note 21 : Changes in inventories of work-in-progress and finished goods

Particulars	March 31, 2018	March 31, 2017
Closing balance :		
Finished goods	4816205.00	964705.00
Work-in-progress	135717887.00	49586560.00
Scrap	3979040.00	2924800.00
Solar Power	6347000.00	2533000.00
	150860132.00	56009065.00
Opening balance :		
Finished goods	964705.00	4016205.00
Work-in-progress	49586560.00	53812550.00
Scrap	2924800.00	3844120.00
Solar Power	2533000.00	8865500.00
	56009065.00	70538375.00
TOTAL	(94851067.00)	14529310.00

Note 22 : Excise Duty

Particulars	March 31, 2018	March 31, 2017
Excise Duty	64414856.65	36236030.00
TOTAL	64414856.65	36236030.00

* Up to 30 th June, 2017

Note 23 : Employees benefit expenses

Particulars	March 31, 2018	March 31, 2017
Salaries and Wages	20721063.00	15717382.00
Contribution to Provident and Other Funds	546879.00	500017.00
Staff Welfare Expenses	794520.18	776217.00
TOTAL	22062462.18	16993616.00

Note 24 : Finance cost

Particulars	March 31, 2018	March 31, 2017
Interest expenses on bank borrowings	4244997.72	3420405.27
Interest expenses on other borrowings	377080.00	432365.00
Other borrowing cost	6300070.04	5624684.64
TOTAL	10922147.76	9477454.91

Note 25 : Depreciation and amortisation expenses

Particulars	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment (refer note 2)	7693153.33	7886658.00
TOTAL	7693153.33	7886658.00

Note 26 : Other expenses

Particulars	March 31, 2018	March 31, 2017
Carriage inward	9357189.96	5743068.00
Consumption of tools	482263.28	329562.00
Entry tax	294812.00	1365377.00
Power & Fuel Charges	4813593.64	4284765.00
Job Work	39742524.20	26810114.00
Labour Charges	3096490.00	1461490.00
Machinery maintenance	2908136.76	1608171.00
T'mer repair under guarantee	125106.00	77675.00
Testing Expenses	2118025.42	3968360.00
VAT	15025769.00	26586066.00
Consumption of Packing material	198946.36	105447.00
Carriage outward	4647645.00	6589810.00
Service Tax on Carriage Outward	70271.00	236588.00
Advertisement & Publicity	85512.24	153786.00
Tender Expenses	45765.00	554784.01

Office and General Expenses (Project)	1020897.86	0.00
Security Expenses (Project ADB)	301955.00	0.00
Late Delivery Expenses	5943730.00	0.00
Godown Rent	450000.00	345000.00
Entertainment Expenses	216824.04	147380.96
Building Maintenance	156959.66	196487.00
Computer maintenance	75374.81	110503.00
Electrical maintenance	530830.80	367304.00
VAT FY 2014-15	0.00	2003.00
Entry Tax After Assessment F.Y. 2014-15	0.00	20666.00
CST 2012-13 After Assessment	0.00	45820.00
CST FY 2014-15	0.00	140532.00
Furniture maintenance	27039.20	41991.00
Office Equipment maintenance	12945.00	82805.00
Vehicle maintenance	323993.64	182073.00
Conveyance Expenses	1408797.32	908720.00
Books & periodicals	4400.00	2744.00
Insurance	1331331.00	388622.00
Labour Welfare Cess Expenses (ADB Project)	1109487.00	1381177.00
Listing fee	252500.00	201000.00
Professional charges	1255736.31	1521896.00
Professional tax	2500.00	2500.00
Rates, Fees & Taxes	988363.00	2708232.10
Directors Sitting Fees	18000.00	15000.00
Payment to Auditors (refer note 26(a) below)	78250.00	93349.00
Postage & Telegraph	126032.10	130157.00
Stationary & Printing	459883.82	454539.00
Subscription	699659.76	148865.00
Sundry Expenses	441999.22	1723997.00
Swachh Bharat Cess	1812.00	8521.00
Krishi Kalyan Cess	1812.00	6427.00
Telephone expenses	302179.80	447480.35
Travelling expenses	4311003.01	3906121.88
Vehicle running expenses	423382.40	2188251.00
CSR Expenses (refer note 26(b) below)	0.00	100000.00
TOTAL	105289728.61	97895227.30

Note 26(a) : Details of payment to auditors

Particulars	March 31, 2018	March 31, 2017
Payments to auditors		
Audit fee	55000.00	57500.00
Tax audit fee	17500.00	17250.00
Other matters	5750.00	18599.00
TOTAL	78250.00	93349.00

Note 26(b) : Corporate social responsibility expenditure

Particulars	March 31, 2018	March 31, 2017
Contribution to tribal rehabilitation programme	0.00	100000.00
TOTAL	0.00	100000.00

Note 27 : Income tax expenses

This note provide an analysis of the Company's income tax expenses, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

(a) Income tax expenses

Particulars	March 31, 2018	March 31, 2017
Current tax		
Current tax on profits for the year	11400000.00	17500000.00
Current tax expenses relating to prior year	0.00	1079256.61
Total current tax expenses	11400000.00	18579256.61
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(700000.00)	(900000.00)
Change in tax rate		
Recognition of previously unrecognised tax losses		
Total deferred tax expenses / (benefit)	(700000.00)	(900000.00)
Tax expenses for the year	10700000.00	17679256.61

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	March 31, 2018	March 31, 2017
Profit before income tax expenses	32474235.16	49839432.19
Tax at the Indian tax rate of 33.063% (2016-17) - 33.063%	10736956.00	16478411.00
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	0.00	0.00
- Difference of PPE WDV in tax books and books of accounts	937413.00	946867.00
- Weighted deduction on research and development expenditure	0.00	0.00
- Corporate social responsibility expenditure	0.00	33063.00
- Fine & penalty	0.00	0.00
- Adjustments for current tax of prior periods	(326604.00)	0.00
- Tax losses now recouped to reduce current tax expenses	0.00	0.00
- Other items	52235.00	41659.00
Income tax expenses	11400000.00	17500000.00

Note 28 : Earning Per Share

Particulars	March 31, 2018	March 31, 2017
Basic Earning per share	7.26	10.72
Diluted earning per share	7.26	10.72

The calculation of basic and diluted earnings per share has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding

Particulars	March 31, 2018	March 31, 2017
I. Profit attributable to equity shareholders (Basic & Diluted)		
Profit/(loss) for the year, attributable to equity shareholders of the company	21774235.16	32160175.58

Particulars (No. of Shares)	March 31, 2018	March 31, 2017
I. Weighted average number of equity shares (Basic)		
Issued equity shares as at the beginning of the year	3000200.00	3000200.00
Effect of share option exercises	0.00	0.00
Weighted average number of shares as at the end of the year	3000200.00	3000200.00
Weighted-average number of equity shares (basic) as at the beginning of the year	3000200.00	3000200.00
Adjustments for calculation of diluted earning per share		
- Equity share option	0.00	0.00
Weighted average number of equity shares and potencial equity shares as at the end of the year	3000200.00	3000200.00

Note 29 : Related Party**1. Key Managerial Personnel**

Mr. Kishore Gupta
Mr. Rakesh Gupta
Mr. Mayank Gupta

2. Entities under common control

Bhopal Wires Private Limited
Neha Industries

3. Transactions with related parties

The following transactions occurred with related parties :-

Particulars	Relationship	March 31, 2018	March 31, 2017
Purchase of Goods			
Bhopal Wires Private Limited, Bhopal	Entities under common control	3124832.00	3579750.00
Neha Industries, Mandideep	Entities under common control	9548490.00	56704905.00
Job Work from			
Bhopal Wires Private Limited, Bhopal	Entities under common control	87288.00	2840717.00
Advance given			
Bhopal Wires Private Limited, Bhopal	Entities under common control	3517917.00	1368300.00
Neha Industries, Mandideep	Entities under common control	2511467.00	2109977.00
Professional Fee/Salary paid			
Mr. Kishore Gupta	Key Management Personnel	1916640.00	1742400.00
Mr. Rakesh Gupta	Key Management Personnel	1277760.00	1161600.00
Mr. Mayank Gupta	Relative of Key Management Personnel	958320.00	871200.00

5. Outstanding balances of related parties

Particulars	Relationship	March 31, 2018	March 31, 2017	March 31, 2016
Trade Receivable				
Bhopal Wires Private Limited	Entities under common control	3517917.00	1368300.00	0.00
Neha Industries	Entities under common control	2511487.00	2109977.00	1714285.00

Note 30 : Contingent liabilities

Amt. in Lacs (Rs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Contingent liabilities			
The group had contingent liabilities at March 31, 2018 in respect of:			
a. Claims against the company not acknowledged as debts			
- Service Tax			
Period April 2009 - December 2011 (Appeal pending)	11.84	11.84	11.84
- Income Tax			
Assessment Year 2013-14 (Appeal pending)	1.289	1.289	1.289
Assessment Year 2015-16 (Appeal pending)	0.85	0.85	0.85
- Sales Tax			
Appeal against CST Assessment order No. 57/16 DT. 21.02.2018 (2015-16)	1.51	—	—
Appeal against CST Assessment order No.------(2014-15)	4.22	—	—
Appeal against CST Assessment order No.-----28.02.2015 (2012-13)	1.83	2.29	3.05
b. Guarantee outstanding	2339.51	2581.97	1713.25
c. Letters of Credit given by company (Different letter of credits issued to various supplies for supply of material to us.	306.87	NIL	NIL

Note 31 : Commitments

Note 32 : First time adoption of Ind AS

Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

- A. Exemption and exceptions availed
- B. Reconciliations between previous GAAP and Ind AS
- C. Notes to first-time adoption

STAR DELTA TRANSFORMERS LIMITED

CIN: L31102MP1977PLC001393



Registered Office: 92-A Govindpura Industrial Area Bhopal-462023

Email Id: star.delta@rediffmail.com

Website: www.stardeltatransformers.com

Phone: +91-755-2586680, 4261016 **Fax:** +91-755- 2580059

ATTENDANCE SLIP

(To be presented at the entrance)

42nd ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 28, 2018 AT 11:30 A.M.
at 92-A Govindpura Industrial Area Bhopal-462023

Reg. Folio No./DP Id No./Client Id No.: _____

Name & Address : _____

Name(s) of Joint Member(s),if any : _____

No. of Shares held _____

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the forty second annual general meeting of the Company on Friday, September 28, 2018 at 11:30 a.m.at 92-A Govindpura Industrial Area Bhopal-462023

Signature of First holder/Proxy/Authorised Representative

Signature of Joint holder(s)

Place:

Date:

Notes:

1. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.
2. Shareholder/proxyholder shall bring his/her copy of the Annual report for the reference at the meeting.

Tear off

STAR DELTA TRANSFORMERS LIMITED

CIN: L31102MP1977PLC001393

Registered Office: 92-A, Industrial Area, Govindpura, Bhopal - 462023 (INDIA)

Email: star.delta@rediffmail.com Website:www.stardeltatransformers.com

Phone: +91-755-2586680, 4261016 Fax: +91-755- 2580059



STAR DELTA TRANSFORMERS LTD.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L31102MP1977PLC001393

Name of the company: **Star Delta Transformers Limited**

Registered office: 92-A, Industrial Area, Govindpura, Bhopal - 462023 (INDIA)

Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member(s) holding shares of the above named company, hereby appoint

- | | | |
|----|--------------|---------------------------------|
| 1. | Name : | E-mail Id: |
| | Address: | Signature:....., or failing him |
| 2. | Name : | E-mail Id: |
| | Address : | Signature:....., or failing him |
| 3. | Name : | E-mail Id: |
| | Address : | Signature:..... |

as my/our proxy to attend and vote for me/us and on my/our behalf at the forty second Annual general meeting of the company, to be held on the Friday, 28th September 2018 at 11:30 a.m. at 92-A, Industrial Area, Govindpura, Bhopal - 462023 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Resolution:

- To Adopt the Financial Statements along with the reports of Board of Director's and Auditor's thereon
- To Appoint Director in place of Director who retires by rotation

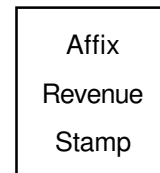
Special Resolution:

- To ratify/confirm the remuneration payable to Cost auditors for the financial year ending 31st March 2018;
- Payment of Minimum Remuneration to Mr. Kishore Gupta (DIN:00014205), Managing Director of the Company, in the event of inadequacy or absence of profits
- Payment of Minimum Remuneration to Mr. Rakesh Gupta (DIN:00014139), Whole time Director of the Company, in the event of inadequacy or absence of profits:
- Authority to Board of Directors to borrow u/s 180(1)(c) of the Companies Act, 2013:
- Authority to Board of Directors u/s 180(1)(a) of the Companies Act, 2013:

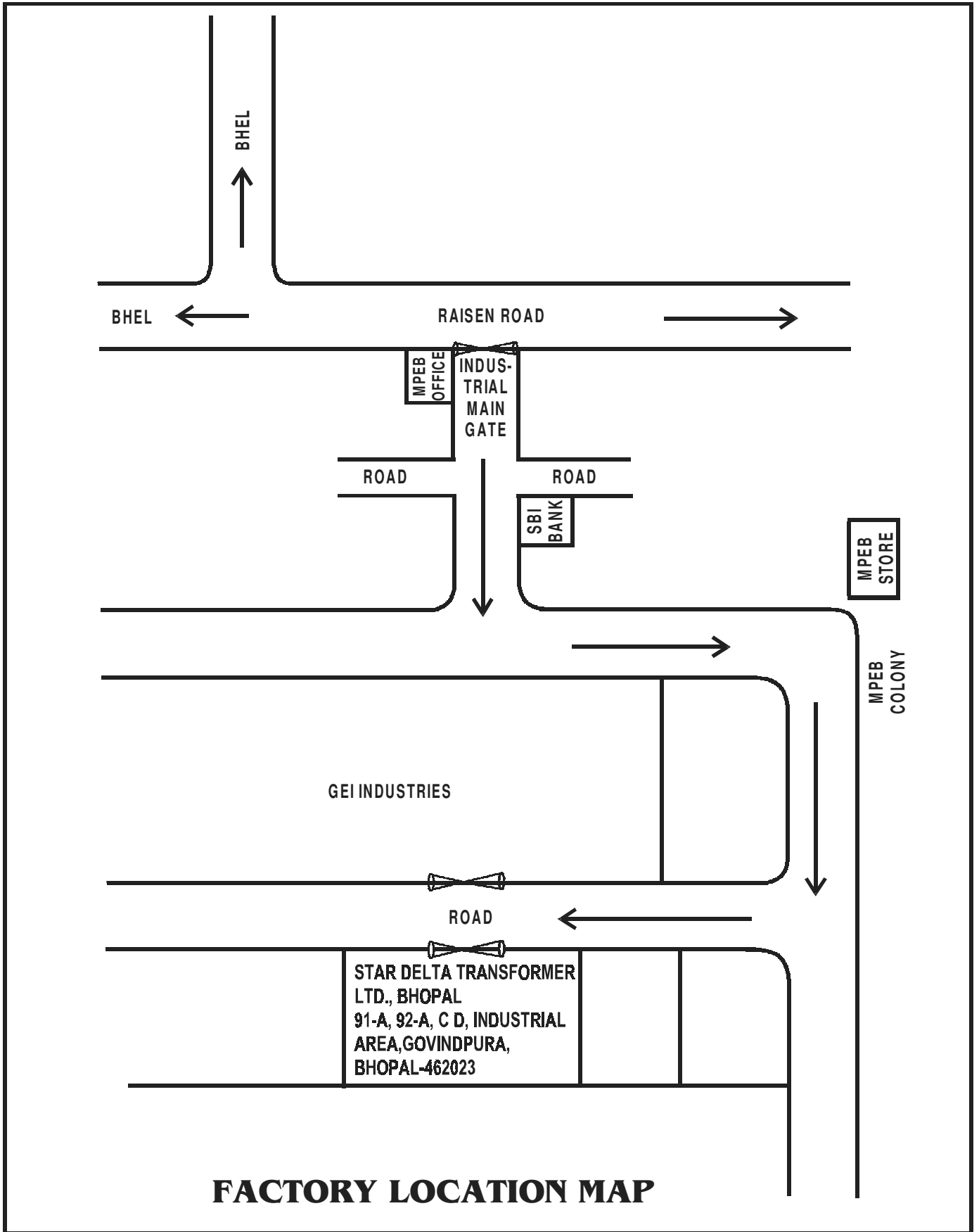
Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



FACTORY LOCATION MAP